

**State of New Jersey  
Department of the Treasury  
Division of Investment**

**REQUEST FOR QUALIFICATION  
FOR  
INDEPENDENT PROXY VOTING  
RESEARCH,  
WEB-BASED PROXY VOTING  
PLATFORM  
AND CLASS ACTION MONITORING  
SERVICES**

**Released: Wednesday, September 15, 2010**

**Responses Due: 3 p.m., Wednesday, October 6, 2010**

**Timothy M. Walsh, Director  
Division of Investment  
50 W. State Street, 9<sup>th</sup> floor  
Trenton, NJ 08608  
[www.state.nj.us/treasury/doinvest](http://www.state.nj.us/treasury/doinvest)**

## **1.0 PURPOSE AND INTENT**

The State of New Jersey, Department of the Treasury is seeking Investment Research-related Services for the Division of Investment (“DOI”).

The purpose of this Request for Qualification (“RFQ”) is to obtain the services of experienced research firms (“Vendor”) with the skills, expertise, and resources to assist and support the DOI in meeting its corporate governance goals: Namely, to protect its investments through corporate engagement and individual proxy voting that foster accountability, good corporate governance and sensible business practices; and to advance shareowner rights of the funds managed by DOI, in compliance with all applicable laws and regulations.

The intent of this RFP is to award three (3) contracts to a maximum of three (3) responsible bidders whose bid proposals, conforming to this RFP are most advantageous to the State, price and other factors considered. The State, however, reserves the right to separately procure individual requirements that are the subject of the contract during the contract term, when deemed by the Director to be in the State’s best interest. One (1) contract shall be awarded for each of the three desired services: proxy voting research, class action monitoring services, an electronic voting platform. A bidder may be awarded more than one (1) contract. Qualified vendors may propose to provide one or more services within this RFQ.

It is anticipated that the term for these services will be for three (3) years, beginning on or about (date) and to expire on (date). There will be a provision to extend the term for two additional one-year periods upon mutual agreement of the parties.

The NJ Standard Terms & Conditions for Waivered Services version 07/31/07 will apply to all contracts or purchase agreements made with the State of New Jersey. These Terms & Conditions take precedence unless the RFQ states otherwise.

## **2.0 MINIMUM REQUIREMENTS**

**2.1** A firm must meet all of the following minimum criteria to be given further consideration for the portion of the RFQ on which it is bidding. Failure of a firm to meet all of the applicable minimum criteria set forth below will result in the qualification's immediate rejection.

**2.1.1** The firm has provided similar services, on which it is bidding, for a minimum of three (3) years, to public pension fund clients with assets of at least \$5 billion. If the firm has not been in business for at least three (3) years, the senior

principals of the firm must have at least five (5) years experience with institutional clients directly related to the services on which the firm is bidding.

**2.1.2** The firm must allow the DOI to make the DOI's reports, which will be generated from the provided information, public.

**2.1.3** The firm must attest that its firm and key professionals do not have or anticipate a potential or perceived conflict of interest with publicly traded corporations subject to proxy votes by the DOI.

### **3.0 QUALIFICATION SUBMISSION**

#### **3.1 SUBMISSION INSTRUCTIONS**

Four (4) hard copies and one (1) electronic copy of the qualification must be marked "RFQ for Proxy Services" and **submitted by 3 p.m. Eastern Daylight Savings Time on Wednesday, October 6, 2010**, to:

Overnight Mail

Amanda Truppa, Chief of Staff  
Department of the Treasury  
Division of Investment  
50 West State Street, 9<sup>th</sup> Floor  
Trenton, NJ 08608

Regular Mail

Amanda Truppa, Chief of Staff  
Department of the Treasury  
Division of Investment  
PO Box 290  
Trenton, NJ 08625

Email

The electronic copy of your qualification is to be sent as a Microsoft Word or Adobe PDF document to: [Amanda.Truppa@treas.state.nj.us](mailto:Amanda.Truppa@treas.state.nj.us).

#### **3.2 INQUIRIES**

DOI is the issuer and sole point of contact for this RFQ. Communications with other representatives of the State concerning this request by you or on your behalf are prohibited during the submission and selection process.

Inquiries concerning this RFQ must be **submitted in writing by close of business on Wednesday, September 29, 2010** and should be directed in writing to:

Amanda Truppa, Chief of Staff  
Department of the Treasury

Division of Investment  
PO Box 290  
Trenton, NJ 08625  
[Amanda.Truppa@treas.state.nj.us](mailto:Amanda.Truppa@treas.state.nj.us)

Written responses will be sent to every Vendor sent a copy of this RFQ.

A firm may withdraw a response in writing, once submitted, provided that such withdrawal occurs prior to the qualification submission deadline. The firm assumes sole responsibility for the complete effort required in this RFQ. No special consideration shall be given after qualifications are opened because of a firm's failure to be knowledgeable about all the requirements of this RFQ. By submitting a qualification in response to this RFQ, the firm represents that it has satisfied, through its own investigation, of all the requirements of this RFQ.

**3.3 INCURRED COSTS**

The State will not be responsible for any expenses incurred in the preparation and/or presentation of the qualifications and oral interviews. Any response to the RFQ is part of the public record notwithstanding any contradictory statements within the qualification.

**3.4 REJECTION OF SUBMISSIONS**

Any qualification received after the deadline, in whole or in part, shall be rejected regardless of cause. It shall be the vendor's sole risk to ensure delivery at the designated office by the designated time. Late submissions will not be opened or returned. All documents/information submitted in response to the RFQ shall be available to the general public, as required by law.

The State reserves the right to reject any and all qualifications and, so far as permitted by law, to waive any irregularity or informality with respect to any qualification. The State further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all interested firms. In the event that all qualifications are rejected, the State reserves the right to re-solicit qualifications. DOI reserves the right at any time to reject any and all proposals received as a result of the request, and to negotiate separately with any and all competing vendors.

**3.5 MODIFICATION/TERMINATION OF RFQ**

The State reserves the right to reject any and all proposals, with or without cause, and waive any irregularities or informalities in the proposals. The State further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all firms submitting

proposals. In the event that all proposals are rejected, the State reserves the right to re-solicit proposals.

## **4.0 BACKGROUND AND GENERAL INFORMATION**

### **4.1 BACKGROUND**

As of June 30, 2009, total assets under DOI management totaled \$75.3 billion, which is comprised of the State's Pension Funds, Cash Management Fund, and various other funds. The DOI manages the assets of the Pension Funds through the use of common funds. The assets of each fund are combined and invested in the Cash Management Fund, Common Pension Fund A (Domestic Equities), Common Pension Fund B (Domestic Fixed Income), Common Pension Fund D (International Securities), and Common Pension Fund E (Alternative Investments). Within the Common Funds, there are multiple subaccounts and it is possible that there could be additional subaccounts in the future. In addition to the common funds, DOI is responsible for managing the Supplemental Annuity Collective Trust (SACT), a portion of NJBest (the State's 529 plan), and a portion of the Deferred Compensation Plan (DCP).

The same statute that created the DOI (PL 1950, c.270) also created the State Investment Council ("the Council") to formulate policies governing the investment of funds by the Director of DOI, and to consult with the Director with respect to the work of the Division.

Today's Council consists of 13 members, six appointed for staggered five-year terms by the Governor, four appointed for three-year terms by the trustees of four of the State's pension systems, one appointed for a three-year term by the Governor from a list of candidates put forward by the state AFL-CIO, one appointed for a three-year term by the Governor from a list of candidates put forward by the New Jersey Education Association (NJEA), and one appointed by the Governor from among three persons nominated jointly by the President of the Senate and the Speaker of the General Assembly for a five-year term. All gubernatorial appointments to the Council (except for the members nominated by the state AFL-CIO and NJEA) are subject to the advice and consent of the Senate. No member of the Council shall hold any office, position or employment in any political party, nor shall any member benefit directly or indirectly from any transaction made by the DOI. Members of the Council serve without compensation.

Implementation of investment policies is vested in the Director of the DOI. The Director is subject to the standards of prudent investment set forth in N.J.S.A. 52:18A-89. As part of the Director's fiduciary role, the Director retains the power and right to select, monitor and terminate consultants when doing so is in the best interest of the State. In making these decisions, the Director may consider many factors, including whether the consultant is complying with applicable statutes and regulations, and whether the consultant is meeting the investment goals and direction established by the Council and the Director.

Presently, DOI investments in U.S. and non-U.S. public securities consist of the following: Approximately 1,300 U.S. tickers and 1,200 non-U.S. tickers.

During the 2010 proxy season, DOI voted proxies for 2,387 annual meetings, of which roughly half (1,250) covered U.S. equities, and half (1,162) covered non-U.S. equities. Certain share-blocking markets are included in DOI's non-U.S. voting.

#### **4.2 GENERAL INFORMATION**

Any vendor retained by the DOI must comply with various laws, regulations, policies and procedures of the State. By submitting a qualification in response to this RFQ, you are pledging to comply with all applicable laws, regulations, policies and procedures.

The most recent Annual Financial Report of the Council can also be viewed on the DOI website:  
[http://www.state.nj.us/treasury/doinvest/annual\\_rpt.shtml](http://www.state.nj.us/treasury/doinvest/annual_rpt.shtml)

### **5.0 SCOPE OF SERVICES**

#### **5.1 Proxy Voting Research Services**

5.1.1 The Vendor(s) selected shall provide comprehensive research and support services to DOI related to proxy voting for all DOI investments in U.S. and non-U.S. securities.

5.1.1.1 The Vendor shall provide periodic, detailed reports of anticipated proxy season issues (including corporate governance and social responsibility issues) prior to the proxy voting season. Please provide an example of the report and the typical timetable for issuance.

- 5.1.1.2 The Vendor shall provide detailed proxy research for all proxy proposals preferably two weeks prior to the meeting date. Please provide several examples of both U.S. and non-U.S. proposals from the past proxy season.
- 5.1.1.3 The Vendor shall provide detailed, post-season summary of proxy season issues and voting results, preferably by August of each year.
- 5.1.1.4 The Vendor shall provide background and trend reports on corporate governance and corporate social responsibility issues. Please provide recent examples of such reports and issuance timetables (e.g., monthly, quarterly, annually).
- 5.1.1.5 Please specify the number of meetings in the number of countries covered annually. Please provide a breakdown by market.
- 5.1.2 Please explain whether the system is able to integrate with third-party proxy voting providers and provide a list of such third-party providers.
- 5.1.3 The selected vendor shall provide a minimum of two (2) staff educational or training workshops annually in the DOI's Trenton, NJ office on issues designated by the DOI and/or recommended by the Vendor.

## **5.2 Proxy Voting Platform:**

- 5.2.1 The Vendor must provide a web-based, proxy voting platform that allows for customizable views for user-defined fields. The ballot summary should be presented for all funds that own the same security.
  - 5.2.1.1 DOI uses State Street as its custodian for the Pension Funds, Bank of New York Mellon for NJBest, State Street for DCP, and PNC Bank for SACT. The Vendor must have the ability to receive electronic feeds from these custodians.
  - 5.2.1.2 Please specify whether the system has the ability to implement DOI's voting policies/guidelines and explain how this is achieved. DOI's policy is attached as Exhibit I.

- 5.2.2 Please explain whether the system is able to integrate with third-party proxy research providers and provide a list of such providers.
- 5.2.3 DOI desires projected record dates for securities lending recall purposes. Please provide a sample report.
- 5.2.4 The system shall provide for the maintenance of an accurate historical archive of DOI proxy voting records. For what period of time is this archive maintained?
- 5.2.5 The system shall have the ability to produce detailed statistical DOI voting reports by user defined search criteria including, but not limited to: by proposal, by user-defined date range, and votes for and against management, and other related reports as requested. Please provide examples of these reports and a list of the search criteria.
- 5.2.6 With respect to the recently passed Dodd-Frank Act, describe how the Vendor shall assist DOI in its compliance with the Act during the term of the contact. DOI expects a disclosure report that will satisfy the SEC reporting requirement. Please explain.
- 5.2.7 The selected vendor shall provide a minimum of two (2) staff educational or training workshops annually in the DOI's Trenton, NJ office on issues designated by the DOI and/or recommended by the Vendor.

### **5.3 Independent Securities Class Action Monitoring Services**

- 5.3.1 The selected Independent Securities Class Action Monitoring Services Vendor will coordinate with DOI's custodians for purposes of providing DOI with online notification, monitoring, and management support services based on objective data to assist DOI with monitoring securities litigation. This support should be based on a complete cycle of a claim, i.e., when a claim is first identify to when a payment is disbursed.
- 5.3.2 The Vendor shall provide daily information regarding claims that includes: class periods, settlement dates, status reports, award amounts, claim deadline dates, claims administrator



details, access to online claim forms, and other related data. Please provide samples of screen shots or reports depicting this information.

5.3.3 The Vendor shall provide monitoring services that include: notification and tracking of claims, detailed views of cases and settlements by portfolio.

5.3.3.1 Does the system have the ability to estimate loss or award amounts?

5.3.3.2 Does the system have the ability to process claims?

5.3.3.3 Does the system have the ability to customize views that will allow the user to track new or pending cases?

5.3.4 The Vendor shall provide securities litigation research information that includes: periodic newsletters or reports of new developments, issues or trends in the industry, access to research reports or papers on key issues. Please provide examples.

5.3.4.1 Does the system have the ability to audit eligibility of cases where the claim period has passed?

5.3.4.2 Does the system have the ability to monitor the payments made on claims to ensure the receipt of settlement monies?

5.3.5 The selected vendor shall provide a minimum of two (2) staff educational or training workshops annually in the DOI's Trenton, NJ office on issues designated by the DOI and/or recommended by the Vendor.

## **6.0 TERM OF AGREEMENT**

The term of the resulting contract(s) will be for three (3) years commencing from the date of the Notice of Award, with two (2) one-year renewal options, subject to mutual consent, and may be terminated sooner at the State's sole discretion.

## **7.0 VENDOR SELECTION PROCESS**

7.1 Responsive qualifications will be evaluated by an Evaluation Committee.

The following evaluation criteria will be used by the Committee, either separately or combined in some manner. These categories are not listed in order of significance. These criteria also may be used to develop more detailed criteria to be used in the evaluation process:

- 7.1.1 The Vendor(s)' general approach and plans for meeting the requirements of this RFQ.
- 7.1.2 The Vendor(s)' detailed approach and plans to provide the services required by Section 5, SCOPE OF SERVICES, contained in this RFQ.
- 7.1.3 The Vendor(s)' documented experience in successfully completing contracts requiring services of similar size and scope.
- 7.1.4 The qualifications and experience of the Vendor(s)' management, supervisory or other key personnel assigned to the engagement, with emphasis on documented experience in successfully completing work on contracts requiring services of similar size and scope.
- 7.1.5 The overall ability of the Vendor to mobilize, undertake and successfully complete the services required by this RFQ. This judgment will include, but not be limited to, the following factors: the number and qualification of management, supervisory and other staff proposed by the Vendor(s) to perform the services required by this RFQ; the availability and commitment of the firm's management, supervisory, and other staff to the engagement; and the Vendor(s)' contract management plan, including the Vendor(s)' contract organizational chart.
- 7.2 Interviews may be conducted at the option of the Evaluation Committee with all or some of the bidding Vendors.
- 7.3 The engagement shall be awarded by written notice to those responsive bidders whose qualification, conforming to the RFQ, will be the most advantageous to the State, price and other factors considered.

## **8.0 REQUIRED COMPONENTS OF THE QUALIFICATION**

### **8.1 Technical Qualification**

- 8.1.1** Provide an Executive Summary of not more than three pages identifying and substantiating why the firm is the best qualified firm to provide the requested services for the DOI. Provide the firm's general and detailed approach to the engagement.
- 8.1.2** Provide the name and address of the firm; the name, telephone number, fax number, and e-mail address of the individual or individuals responsible for the preparation of this qualification who may be contacted in the event of questions or notification; and the location of the office, if other than shown above, at which the services to be provided hereunder will be performed.
- 8.1.3** Provide an organizational chart of all principals of the firm involved in this contract including complete contact information.
- 8.1.4** Provide a staffing plan listing those persons who will be assigned to the engagement if your firm is selected, including the designation of the person who would primarily be responsible for the engagement. This portion of the qualification should include the relevant resume information for the individuals who would be assigned. This information should include, at a minimum, a description of the person's relevant professional experience (e.g., years and type of experience, and number of years with the firm).
- 8.1.5** Provide a description of the firm's experience in services of the type described in this qualification, both for private and public entities.
- 8.1.6** Provide a description of resources of the firm (i.e., background, location, experience, staff resources, financial resources, other resources, etc.). Include the year formed and ownership structure, as well as any ownership changes within the past five years.
- 8.1.7** Describe the firm's commitment to research and system enhancements.
- 8.1.8** Provide the number of clients gained and number of clients lost in each of the last three (3) years. Identify the five (5)

largest clients lost over the last three (3) to five (5) years and indicate the reason(s) for termination.

8.1.9 Provide three (3) client references for whom similar services have been provided. Provide contact names, positions, and phone numbers.

8.1.10 The anticipated start date for this engagement is January 2, 2011. Please provide a timetable and plan for mobilization and implementation of this engagement.

8.1.11 Provide examples of the product/reports the DOI will receive for each service.

8.1.12 Provide the number of log on ids that is included in the qualification's firm fixed price.

## **8.2 Fee Qualification**

8.2.1 As full compensation for the services and all other obligations to be performed by the Contractor, the Contractor shall submit an annual flat-fee for all services, including travel, performed under Section 5.0 of this RFQ. Please complete the Price Schedule attached hereto as Exhibit D.

8.2.2 The State reserves the right to negotiate final price with the vendor selected to provide this service.

8.2.3 The State's obligation to pay the Contractor is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless funds are made available each fiscal year to the DOI by the Legislature for such purposes.

## **8.3 Required Forms**

Attached as Exhibit II, but can also be found at [www.state.nj.us/treasury/purchase/forms.shtml](http://www.state.nj.us/treasury/purchase/forms.shtml)

8.3.1 Waivered Terms & Conditions for Services Contracts

8.3.2 Public Law 2005, Chapter 271

8.3.3 Public Law 2005, Chapter 51 / Executive Order 117

8.3.4 Source Disclosure Form

- 8.3.5 Ownership Disclosure Form
- 8.3.6 Disclosure of Investigations and Actions Involving Bidder
- 8.3.7 MacBride Principles Form
- 8.3.8 Affirmative Action Forms
- 8.3.9 Set-Off for State Tax
- 8.3.10 NJ Business Registration

**Request for Qualifications  
Proxy Voting Research, Proxy Voting Platform, & Class Action  
Monitoring Services RFQ  
Price Schedule**

**Bidder Name:** \_\_\_\_\_

**Total Yearly Fixed Firm Cost for completing Scope of Services as  
noted in Section 5.0 for initial 3-year contract period:**

**Proxy Voting Research-----\$\_\_\_\_\_**

**Class Action Monitoring Services-----\$\_\_\_\_\_**

**Web-Based Proxy Voting Platform -----\$\_\_\_\_\_**

NJ Division of Investment  
**Proxy Voting Research, Proxy Voting Platform, & Class Action Monitoring Services**  
**RFQ**

Exhibit I

## **EXHIBIT I**

### **STATE OF NEW JERSEY** **DIVISION OF INVESTMENT PROXY GUIDELINES**

#### **Board of Director Issues**

##### **ELECTION OF DIRECTORS - INDEPENDENCE**

We favor diversity of experience on the Board and believe that corporate management should not dominate the Board. Votes should be cast in favor of shareholder proposals asking that boards be comprised of a majority of independent directors.

Votes should be cast in favor of shareholder proposals asking that board audit, compensation and nominating committees be comprised exclusively of independent directors.

In assessing whether a proposed outside director may be viewed as independent, with respect to building long-term shareholder value, the Division employs, as a guideline, extracts from the Council of Institutional Investors' former "Definition of Independent Director".

##### **Council of Institutional Investors—Guideline Extracts from Definition of Independent Director:**

An independent director is someone whose only nontrivial connection to the corporation is that person's directorship.

A director will not generally be considered independent if he or she:

- a) has been employed by the corporation or an affiliate in an executive capacity;
- b) is an employee or owner of a firm that is one of the corporation's or its affiliate's paid advisors or consultants;
- c) is employed by a significant customer or supplier;
- d) has a personal services contract with the corporation or one of its affiliates;
- e) is employed by a foundation or university that receives significant grants or endowments from the corporation or one of its affiliates;
- f) is a relative of an executive of the corporation or one of its affiliates;
- g) is part of an interlocking directorate in which the CEO or other executive officer of the corporation serves on the board of another corporation that employs the director



**ELECTION OF DIRECTORS IN A PROXY CONTEST**

In instances where two slates of directors are proposed, one by the corporation and the second by an independent group, we evaluate the competing groups and make a decision that best suits the financial interests of fund beneficiaries, as is required by State prudence law. Competing groups have equal access to the Division, including, where appropriate, a meeting between the top management of each group and the staff of the Division. In his discretion, the Director may consult with the Chair of the Council, who in turn may poll the other Council members.

**ANNUAL DIRECTOR ELECTION/CLASSIFIED BOARDS**

We vote in favor of the annual election of directors and support shareholder proposals to eliminate a classified (staggered) board.

**MAJORITY VOTE TO ELECT DIRECTORS**

We vote in favor of shareholder proposals requiring a majority affirmative vote for the election of directors. We favor the amendment of a company's governance documents (certificate of incorporation or bylaws) to provide that director nominees shall be elected by the affirmative vote of the majority of votes cast at an annual meeting of shareholders.

**INDEPENDENT CHAIRMAN**

We support shareholder proposals requiring the Chairman of the Board to be independent, unless special circumstances exist.

**SEPARATE CHAIRMAN/CEO**

We support shareholder proposals for separate Chairman/CEO positions, unless special circumstances exist.

**CUMULATIVE VOTING**

Cumulative voting gives shareholders the option to cast all of their votes for a single board nominee or to apportion those votes among a selection of nominees in any combination desired, thereby maximizing the shareholders' voting power. Historically, the Division has not supported proposals to create cumulative voting in the election of corporate directors on the theory that such voting would enable dissident directors to be more easily elected to corporate boards.

### **CONSTITUENCY REPRESENTATION ON BOARD**

We oppose shareholder proposals requesting an employee or union representative on the Board.

### **DIRECTORS' LIABILITY AND INDEMNITY**

The Division supports management proposals to limit director liability and provide indemnification in the event of successful lawsuits, except for fraud on the part of a director, to help ensure the availability of a pool of able directors.

### **STOCK OWNERSHIP REQUIREMENTS**

The Division votes against shareholder proposals for stock ownership requirements for directors.

### **DIRECTOR TERM LIMITS**

The Division routinely votes against shareholder proposals to limit directors' term of office.

## **Corporate Governance Issues**

### **SELECTION OF AUDITORS**

In considering the selection of auditors, the Division staff reviews the experience of the auditors, the possibility of conflict with the company and whether the auditors are subject to periodic rotation to insure independence.

### **NO CONSULTING BY AUDITORS**

The Division supports shareholder proposals requesting that boards adopt policy that independent auditors provide only audit services to a company and not provide any other services

### **REINCORPORATION OUTSIDE THE U.S.**

The Division rejects company proposals for reincorporating in Bermuda, Switzerland and Ireland and supports proposals recommending reincorporating back to the United States.

**ANTI-TAKEOVER MEASURES**

The Division reviews these proposals on a case-by-case basis. Historically, we have measured the proposals against four main principles. First, that all shares should have equal voting rights, namely, one vote per share; second, all shareholders should be treated equally, which would prohibit "greenmail" and exclusionary tender offers; third, shareholders should be able to vote on issues which would have a material financial effect upon a corporation; and, fourth, executive compensation and the choice of outside auditors should be the responsibility of independent directors on the company's board.

Historically, we have generally supported the elimination of staggered boards of directors, a rescission of "poison pills," and the elimination of super majority voting requirements. We also support shareholder proposals intended to reverse shark repellents where consistent with the positions discussed herein.

**SHAREHOLDERS' RIGHT TO CALL SPECIAL MEETING**

We support a shareholder's right to call a special meeting.

**SHAREHOLDER ACTION BY WRITTEN CONSENT**

We support shareholder action by written consent.

**ADJOURN MEETING TO SOLICIT VOTES**

We vote against management proposals to adjourn meetings to solicit additional votes.

**SHAREHOLDER RIGHTS PLAN**

We support shareholder proposals to submit Shareholder Rights Plans to shareholders for a vote.

**CONFIDENTIAL PROXY VOTING/INDEPENDENT VOTE TABULATION**

We support shareholder proposals for the confidential voting and independent tabulation of proxies.

## **Capital Structure**

### **INCREASE IN SHARES OUTSTANDING**

We generally support increases in authorized shares of common stock by corporations, unless the number appears to be unduly excessive or the increased shares would further acquisitions or a financial recapitalization that we would prefer be referred to shareholders. We generally oppose the authorization of shares of preferred stock whose terms can be set at the discretion of the company's board of directors or management. This preferred stock is sometimes referred to as "blank check" preferred stock, and can be used as a shark repellent or to create special voting rights for favored shareholder groups.

### **PREEMPTIVE RIGHTS**

From time to time shareholders propose that a corporation adopt the principle of preemptive rights, which requires that a company offer its existing shareholders new shares of publicly-offered stock so they may maintain their pro rata ownership in the company. This is a costly procedure that we generally oppose if there is a liquid market through which we may maintain our proportional position in most company stocks. On occasion, we may support preemptive rights proposals in the case of companies whose shares are very lightly traded and cannot be readily acquired in the marketplace.

### **MERGER/ACQUISITION**

We review all proposed mergers/acquisitions on a case-by-case basis.

## **Executive Compensation**

### **STOCK OPTION AND RESTRICTED STOCK PLANS**

Stock option and restricted stock plans are reviewed on a case-by-case basis, applying general guidelines concerning acceptable terms and conditions of the plans.

#### **Expensing Options.**

We support the expensing of all equity based grants.

#### **Price:**

One hundred percent of fair market value on date of grant.

#### **Dilution.**

Generally, five percent dilution of outstanding shares will be acceptable for most companies. Higher thresholds will be considered for less mature

companies where stock ownership may constitute the major attraction to the recruitment of capable managers.

**Eligibility:** Employees and non-employee Directors

**Vesting:** Preferable over a minimum of five years. We do not vote against plans with a shorter vesting period, except in the case of immediate vesting. We vote against plans that would accelerate vesting in a take-over situation.

**Option Repricing  
(Underwater  
Options):**

As a rule, plans that permit a reduction in the exercise price of existing options or the replacement of those options with new options or other equity awards, should be opposed, in the absence of unique circumstances.

**Discretion:** Plans that are not specific in their terms should be generally opposed.

We generally favor restricted stock programs over stock option incentive plans. We review the proposals on a case-by-case basis and if the plan does not result in excessive compensation and has a reasonable vesting period, we support the proposal.

### **PAY FOR PERFORMANCE**

We review these proposals on a case-by-case basis to evaluate the selected financial performance criteria, prescribed benchmarks and minimum bonus payment criteria.

### **EMPLOYEE STOCK PURCHASE PLANS**

We generally support plans with 15% discount open to all employees.

### **ADVISORY VOTE ON EXECUTIVE COMPENSATION**

We support proposals for an advisory vote on executive compensation

### **GOLDEN PARACHUTES**

"Golden Parachutes" (severance packages usually triggered by a change in control of the company) are normally not subject to shareholder approval, but must be disclosed in the proxy material, and often become the subject of shareholder proposals calling for their rescission.

These are reviewed on a case-by-case basis, and where viewed as excessive, rescission is supported. In general, we would view anything more than three years' compensation as being excessive.

### **GOLDEN COFFINS**

We generally support shareholder proposals prohibiting "Golden Coffins" (compensation to executives' beneficiaries based upon salary and bonuses that have not been earned prior to death, accelerating the vesting on equity grants, and egregious life insurance policies).

### **Other**

### **MISCELLANEOUS SOCIAL ISSUES**

On proposals related to various social issues, which can only be loosely connected with corporate governance and which normally bear little relation to the companies' long-term economic viability, we believe that, under present fiduciary law, our primary responsibility should be to vote solely in the financial interest of the beneficiaries of the pension funds. The establishment of standards for social behavior is appropriately the province of the law and is not the province of the staff of the Division. The Division tends to support management's position when it is consistent with existing law, including rulings of the U.S. Supreme Court. However, the Division has recognized that social issues may have significant financial impact, and, in the past, has supported certain proxy issues on the grounds that these issues could have material financial effects on the company and on shareholders.

### **ENVIRONMENTAL CONCERNS/CERES PRINCIPLES**

Generally, we favor the spirit of environmental concern such as that expressed in the CERES (formerly Valdez) Principles and support corporate practices that reflect sensitivity to furthering an ecologically sound environment. Environmental issues can impact a corporation's long-term financial performance and its image as a responsible corporate citizen. In this connection, the Division's selection of investment opportunities reflects the Council's stated policy..."the Council believes that good corporate citizenship enhances the value of a company, and, conversely, that poor corporate citizenship detracts from a company's value." Environmental policies are well established by law and regulation at the Federal, State, and local levels, and each corporation must comply with these strictures or face the appropriate penalties. Regarding the CERES Principles, we believe that the law is the proper determinant of corporate responsibility, and that pledges which mandate that corporations go beyond the requirement of the law should be avoided. We do not support measures such as the establishment of specific target goals or the compilation of detailed scientific reports which can impose additional expenses and duplicate existing regulations.

**CORPORATE ACTIVITY IN NORTHERN IRELAND**

P.L. 1987, c. 177, requires the Director of the Division of Investment to initiate and support shareholder petitions or initiatives requiring adherence by corporations to standards set forth in the Act (i.e., the MacBride Principles), where appropriate, and consistent with prudent standards for fiduciary practice.

**CORPORATE ACTIVITY IN SUDAN**

P.L. 2005, c. 162 requires the Director of the Division of Investment to divest of any foreign company that has an “equity tie” (as defined by the law) to the country of Sudan. We support shareholder proposals requiring a company to cease operations in Sudan or disclose any activities related to Sudan. We also support proposals requesting a human rights committee of the board when Sudan-related.

**SMOKING-RELATED PROPOSALS**

Generally, we do not support using the proxy voting process to proscribe the business of any corporation, if that business is permitted under existing law, given our fiduciary obligation to vote solely in the financial interests of the pension fund beneficiaries.

With respect to the smoking-related concerns, we believe the appropriate venues to assess and remedy these concerns exist with the State and Federal legislative bodies, the designated regulatory agencies, and judicial forums.

We normally support shareholder proposals barring advertising to youth.

**REPORT ON CONTRIBUTIONS TO POLITICAL ACTION COMMITTEES**

Generally, we vote against such proposals, as the information is a matter of public record. Existing law requires that PACs, political parties and candidates file reports with the FEC.

NJ Division of Investment  
**Proxy Voting Research, Proxy Voting Platform, & Class Action Monitoring Services**  
**RFQ**

Exhibit II



## NEW JERSEY DIVISION OF PURCHASE AND PROPERTY WAIVERED SERVICES CONTRACTS STANDARD TERMS AND CONDITIONS

July 31, 2007

By submitting a proposal in response to the Agency Request for services, the bidder certifies that it understands and agrees that all of the following terms, conditions and definitions (collectively, "Standard Terms and Conditions") are part of any contract(s) awarded or order(s) placed as a result of the Agency Request unless specifically and expressly modified by reference in the Agency Request or in a writing executed by the Director, Division of Purchase and Property or the designee thereof.

- I. **DEFINITIONS:** As used in these Standard Terms and Conditions the following terms shall have the definitions set forth in this paragraph. These definitions shall also apply to the entire contract unless otherwise defined therein.

"Agency" means the entity on whose behalf the Division of Purchase and Property entered into the Contract. The Agency is the intended beneficiary of the Contract.

"Agency Request" means a request made by an Agency for offers or proposals to provide the sought after goods and/or services as specified herein.

"Bidder" means any person or entity submitting a proposal in response to the Agency Request for the purpose of obtaining a contract to provide the tangible items and/or services specified in the Agency Request.

"Contract" means a mutually binding legal relationship obligating the Contractor to furnish supplies and/or services and the buyer to pay for them, subject to appropriation where the Agency derives its annual budget by means of appropriation from the State Legislature. The Contract consists of these Standard Terms and Conditions, the Agency Request, the proposal submitted by the Contractor, the subsequent written document memorializing the agreement (if any), any amendments or modifications and any attachments, addenda or other supporting documents of the foregoing.

The Contract and/or its terms cannot be modified or amended by conduct or by course of dealings. Thus, the "contract" does not include the aforementioned actions and such actions, or reliance thereon, afford no rights whatsoever to any party to the Contract. The Contract can only be modified or amended by the Director; using Agencies have no authority to modify or amend the Contract. The State will not be bound by any attempt to modify or amend the Contract without the prior written approval of the Director.

"Contractor" means the person or entity which submits a proposal in response to the Agency Request and to whom (or which) the Contract is awarded.

"Designee" means the representative of a specific public official or Agency, as defined above, duly authorized by same to conduct specific activities and who also has the power to legally bind the official or Agency within the scope of the Contract. Actions taken by an unauthorized designee or which are beyond the scope of the designee's authorization or beyond the scope of the Contract are ultra vires and have no legal or equitable effect.

"Director" means the Director of the New Jersey Division of Purchase and Property or the designee thereof.

"Division" means the New Jersey Division of Purchase and Property.

"Fixed-Price Contract" means a contract that provides for a firm price for the entire term of the Contract (including all extensions), subject to any contractual conditions allowing price adjustment, under which the contractor bears the full responsibility for profit or loss.

"Project" means the initiative, enterprise, undertaking or services for which the Contractor was contracted.

"Shall" denotes a mandatory condition.

"State" means the State of New Jersey and its agencies.

## II. APPLICABILITY AND INCORPORATION OF STANDARD TERMS AND CONDITIONS:

These Standard Terms and Conditions will apply to all services contracts made by the Director on behalf of the Agency. These Standard Terms and Conditions are automatically incorporated into the Contract unless the Contractor is specifically instructed otherwise in the Agency Request or in any amendment thereto. These Standard Terms and Conditions are in addition to the terms and conditions set forth in the Agency Request and should be read in conjunction with same unless the Agency Request specifically indicates otherwise.

### III. CONTRACTOR'S STATUS AND RESPONSIBILITIES:

- A. **CONTRACTOR'S STATUS:** The Contractor's status shall be that of an independent contractor and not that of an employee of the State.
- B. **CONTRACTOR'S CERTIFICATION AS TO ITS REPRESENTATIONS:** The Contractor certifies that all representations made by it in its proposal or other related and/or supporting materials are true, subject to penalty of law. Further, the Contractor agrees that its violation of any statute or regulation related to public contracts and/or its misrepresentation or concealment of any material fact in the proposal, award or performance of the Contract may be cause for rescission of the contract award. In addition, the Contractor's violation of any statute or regulation related to public contracts and/or its misrepresentation or concealment of any material fact in the proposal, award or performance of the Contract shall serve as a legal bar to the Contractor's enforcement of its rights under the Contract including any and all claims at law or equity.
- C. **CONTRACTOR'S PERFORMANCE:** The Contractor agrees to perform in a good, skillful and timely manner all services set forth in the Contract. To perform these services, the Contractor shall employ or engage the services of qualified persons and/or entities at its own expense except as otherwise specified in the Contract. The Contractor has an affirmative obligation to promptly notify, in writing, the State of any changes in circumstances which might affect the Contractor's ability to be awarded or to perform its obligations under the Contract.

### D. RESPONSIBILITIES OF CONTRACTOR:

- 1) The Contractor is responsible for the quality, technical accuracy and timely completion and delivery of all deliverables and other services to be furnished by the Contractor under the Contract. If circumstances beyond the control of the Contractor result in a late delivery, it is the responsibility and obligation of the Contractor to make the details known immediately to the Division and Agency.
- 2) The Contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its services and deliverables furnished under the Contract. The approval of interim deliverables furnished under the Contract shall not in any way relieve the Contractor of fulfilling all of its obligations under the Contract. The acceptance or payment for any of the services rendered under the Contract shall not be construed as a waiver by the State or Agency, of any rights under the agreement or of any cause of action arising out of the Contractor's performance of the Contract.
- 3) The acceptance of, approval of or payment for any of the services performed by the Contractor under the Contract shall not constitute a release or waiver of any claim the State or Agency, has or may have for latent defects or errors or other breaches of warranty or negligence.
- 4) Should the Contractor hire, employ or otherwise engage subcontractors, the Contractor shall be considered the prime Contractor and the sole point of contact with regard to contractual matters. The Contractor assumes sole and full responsibility for the complete performance contemplated by the Contract including the performance of all subcontractors.
- 5) When the Contractor intends to subcontract for any work under the Contract, the subcontractor must be approved by the Director in writing. It is understood, however, that consent of the Director for the subcontracting of any work under the Contract in no way relieves the Contractor from its full obligations under the Contract. In addition, the Contractor must notify and receive the approval of the Agency Project Manager before hiring any sub-contractor for the contract work. The Contractor shall at all times give due attention to the fulfillment of the Contract and shall keep the work under its control. Consent to the subcontracting of any part of the work by the Director in writing shall not be construed to be an approval of said subcontract or of any of its terms, but shall operate only as an approval of the subcontractor. The Contractor, shall be responsible for all work performed by the subcontractor, which shall conform to the provisions of the Contract and all requirements of law. The failure of any subcontractor to adhere to the terms of the Contract or requirements of law may, in the Director's discretion, be cause for rescission of the contract award.
- 6) All payments for services under the Contract will be made only to the Contractor. The Contractor assumes sole and full responsibility for any payments due to its subcontractors under the Contract.
- 7) Nothing herein or in the Contract shall be construed as creating a contractual relationship between any subcontractor and the State and/or the Agency.
- 8) The Contractor's obligations under this clause are in addition to the Contractor's other expressed or implied assurances under the Contract or law and in no way diminish any other rights that the State or Agency may have against the Contractor.

- E. **INVESTIGATION:** By submitting a proposal in response to the Agency Request, the bidder certifies and warrants that it has satisfied itself, from its own investigation, of the conditions to be met and that it fully understands its obligations and if awarded the Contract agrees that it will not make any claim for, or have right to, cancellation or relief from the Contract without penalty because of its misunderstanding or lack of information.
- F. **PRICE FLUCTUATION DURING CONTRACT:** Unless otherwise set forth in writing by the Director, or the Director's designee, all prices quoted shall be firm and not be subject to increase during the duration of the Contract. However, in the event of a manufacturer's price or contractor's cost decrease during the Contract period, the State shall receive the full benefit of such price/cost reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director must be notified in writing of any price reduction within five (5) days of the effective date. Failure to report and/or pass on price reductions may result in the rescission of the contract award for cause.
- G. **COST LIABILITY:** The State assumes no responsibility and no liability for costs incurred by the bidder prior to the award of the Contract and thereafter only as specifically provided in the Contract.
- H. **INDEMNITY/LIABILITY TO THIRD PARTIES:**
- 1) The Contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.
  - 2) The Contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of this contract.
  - 3) The Contractor further agrees that:
    - a) any approval by the State or Agency of the work performed and/or reports, plans or specifications provided by the Contractor shall not operate to limit the obligations of the Contractor assumed in the Contract;
    - b) the State and Agency assume no obligation to indemnify or save harmless the Contractor, its agents, servants, employees or subcontractors for any claim which may arise out of its performance of the Contract; and
    - c) the provisions of this indemnification clause shall in no way limit the Contractor's obligations assumed in the Contract, nor shall they be construed to relieve the Contractor from any liability, nor preclude the State or Agency from taking any other actions available to it under any other provisions of the Contract or otherwise at law or equity.
- I. **INSURANCE:** The Contractor shall procure and maintain at its own expense, until at least two years after the completion of all work performed under the Contract, extensions and/or modifications thereto, liability insurance for damages imposed by law and assumed under the Contract, of the kinds and in the amounts hereinafter provided, from insurance companies admitted or approved to do business in the State of New Jersey. By submitting a proposal in response to the Agency Request, the Contractor expressly agrees that any insurance protection required herein or by the Contract shall in no way limit the Contractor's obligations assumed in the Contract and shall not be construed to relieve the Contractor from liability in excess of such coverage nor shall it preclude the State from taking such other actions as are available to it under other provisions of the Contract or otherwise in law or equity.
- 1) The insurance to be provided by the contractor shall be as follows:
    - a. a Commercial General Liability policy as broad as the standard coverage forms in use in the State of New Jersey which shall not be circumscribed by any endorsements limiting the breadth of coverage.

The limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.
    - b. Automobile liability insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.

- c. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than

\$1,000,000 BODILY INJURY, EACH OCCURRENCE  
\$1,000,000 DISEASE EACH EMPLOYEE  
\$1,000,000 DISEASE AGGREGATE LIMIT

- d) Professional Liability Insurance: When it is common to the Contractor's profession to do so, the Contractor shall carry Errors and Omissions, Professional Liability Insurance and/or Professional Liability Malpractice Insurance sufficient to protect the Contractor from any liability arising out the professional obligations performed pursuant to the requirements of the Contract. The insurance shall be in the amount of not less than \$5,000,000 and in such policy forms as shall be approved by the State. If the Contractor has claims-made coverage and subsequently changes carriers during the term of the Contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance and/or Professional Malpractice Insurance carrier an endorsement for retroactive coverage.
- 2) The Contractor shall, prior to commencement of the work required under the Contract, provide the Director with a valid original Certificates of Insurance (and a copy thereof to the Agency) as evidence of the Contractor's insurance coverage in accordance with the foregoing provisions. Such certificates of insurance shall specify that the insurance provided is of the types and is in the amounts required in 1(a), (b), (c) and (d) above.

The certificates shall provide for thirty (30) days written notice to the Director and Agency prior to any cancellation, expiration or non-renewal of insurance during the term required in the Contract, extensions and/or modifications thereto. The Contractor shall further be required to provide the Director with valid original certificates of renewal of the insurance (and a copy thereof to the Agency) upon the expiration of the policies. The Contractor shall also, upon request, promptly provide the Division and/or Agency with copies of each policy required under these Standard Terms and Conditions and the Contract, certified by the agent or underwriter to be true copies of the policies provided to the Contractor. All certificates and copies of insurance policies shall be forwarded to the State's address as listed herein.

In the event that the Contractor provides evidence of insurance in the form of certificates of insurance valid for a period of time less than the period during which the Contractor is required by the terms of these Standard Terms and Conditions and the Contract to maintain insurance, i.e. two (2) years after the expiration of the Contract, said certificates shall be acceptable, but the vendor shall be obligated to renew its insurance policies as necessary and to provide new certificates of insurance from time to time, so that the Agency is continuously in possession of evidence of the Contractor's insurance in accordance with the foregoing provisions.

In the event the Contractor fails or refuses to renew any of its insurance policies as necessary, or any policy is canceled, terminated or modified so that the insurance does not meet the requirements of these Standard Terms and Conditions or the Contract, the State and/or Agency may refuse to make payment of any further amounts due under the Contract or refuse to make payments due or coming due under other agreements between the Contractor and the State. The State, in its sole discretion, may use funds retained under this paragraph to renew the Contractor's insurance for the periods and amounts referred to above. During any period when the required insurance is not in effect, the Director may, at the Director's option, either suspend work under the Contract or proceed to default the Contractor and thereby rescind the contract award.

- J. **AVAILABILITY OF RECORDS:** The Contractor shall maintain and retain weekly payroll, overhead, cost and accounting records and all other records related to the services performed on the Project, including expenses pertaining to additional services required by the State on the Project. Such records shall be maintained and available for the State's and/or Agency's inspection as to all aspects of the work, whether performed by the Contractor or any independent firms. These records shall be kept in accordance with generally accepted accounting principles and practices for a period of three (3) fiscal years after the expiration of the State's fiscal year in which the Contract expires or in which final payment is received by the Contractor under the Contract, whichever occurs later. (The State's fiscal year is from July 1 through June 30). The Director has the right to request, and Contractor agrees to furnish free of charge, all information and copies of all records which the Director requests. The Contractor shall allow the Director and/or Agency to visit the office(s) of the Contractor periodically, upon reasonable notice, in order to review any document related to the Contract or to otherwise monitor work being performed by the Contractor pursuant to the Contract. Any failure by the Contractor to maintain or produce such records or to otherwise cooperate with the Director and/or Agency may be, at the Director's discretion, cause for rescission of the contract award and/or suspension or debarment of the Contractor from State contracts.

- K. **DATA CONFIDENTIALITY:** All data contained in documents supplied by the State or Agency after the award of the Contract, any data gathered by the Contractor in fulfillment of the Contract and any analysis thereof (whether in fulfillment of the Contract or not) are to be considered confidential and shall be solely for the use of the provider of the information. The Contractor is required to use reasonable care to protect the confidentiality of the data including, but not limited to, requiring incorporation of this term into its contract with its subcontractor(s), if any. Any use, sale or offering of this data in any form by the Contractor, its employees, subcontractors or assignees will be considered a violation of this contract and will cause the infraction to be reported to the State Attorney General for possible prosecution. Penalties for violations of such guarantees include, but are not limited to, rescission of the contract award and/or legal action without the State being liable for damages, costs and/or attorney fees. The Contractor shall be liable for any and all damages arising from its breach of this confidentiality provision.
- L. **NO WAIVER OF WARRANTIES OR REMEDIES AT LAW OR EQUITY:** Nothing in the Contract shall be construed to be a waiver by the State or Agency of any warranty, expressed or implied, except as specifically and expressly stated in a writing executed by the Director. Further, nothing in the Contract shall be construed to be a waiver by the State or Agency of any remedy available to the State or Agency under the Contract, at law or equity except as specifically and expressly stated in a writing executed by the Director.
- M. **OWNERSHIP OF MATERIAL:** All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, the work shall be considered "work for hire", i.e. the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any copyright, and the State shall have the right to obtain and hold in its own name any copyrights, registrations and any other proprietary rights that may be available.
- N. **PUBLICITY:** Publicity and/or public announcements pertaining to the project shall be approved by the Agency prior to release.

IV. **CONTRACTUAL RELATIONSHIP:**

- A. **ASSIGNMENT:** The Contractor shall not assign or transfer its obligations or rights under the Contract without the prior written consent of the Director. Any assignment or transfer of the Contractor's rights under the Contract without the prior written consent of the Director shall not relieve the Contractor of any duty; obligation or liability assumed by it under the Contract and shall be cause for rescission of the contract award.
- B. **MERGERS, ACQUISITIONS AND DISSOLUTION:**
- 1) Merger or Acquisition: If, subsequent to the award of any contract resulting from the Agency Request, the Contractor shall merge with or be acquired by another firm, for purposes of this contract only, the documents set forth below must be submitted to the Director for approval within thirty (30) days of completion of the merger or acquisition. Failure to do so may result in rescission of the contract award for cause. Any such merger or acquisition will require the assignment of the Contract pursuant to the provisions related thereto set forth herein.
    - a) Corporate resolutions prepared by the awarded Contractor and new entity ratifying acceptance of the Contract terms, conditions and prices, as may be amended.
    - b) State of New Jersey Bidders Application reflecting all updated information including ownership disclosure, pursuant to the provisions contained herein.
    - c) Vendor Federal Employer Identification Number.
    - d) Ownership Disclosure: Within thirty (30) days after any merger or acquisition, the Contractor must disclose the names and addresses of all of its owners and potential owners which hold or may acquire 10% or more of its stock or interest. The Contractor has the continuing obligation to notify the Division of any change in its ownership affecting 10% or more of its ownership as soon as such change has been completed. Compliance with this provision does not give rise to any rights to the Contract to the acquirer or resulting entity (in the case of a merger) without the written consent of the Director.

- 2) Dissolution: If, during the term of the Contract, the Contractor's partnership, joint venture or corporation shall dissolve, the Director must be so notified. All responsible parties of the dissolved partnership or corporation must submit to the Director, in writing, the names of the parties proposed to perform the contract and the names of the parties to whom payment should be made. No payment will be made until all parties to the dissolved partnership, joint venture or corporation submit the required documents to the Director. If the Contractor is (1) a corporation, it must provide a copy of the corporate resolution to dissolve; (2) a partnership, the written statement of the partnership, general partner, receiver or custodian thereof that the partnership has dissolved; and (3) a joint venture, the written agreement of the principal parties thereto to dissolve the joint venture.

- C. **NOTICE:** The Contractor shall promptly provide notice to the Director and Agency of all information related to its merger, acquisition and/or dissolution.

V. **ADDITIONAL TERMS:**

- A. **CONTRACT AMOUNT:** The estimated amount of the contract(s), when stated in the Agency Request, shall not be construed as either the maximum or minimum amount which the State and/or the Agency shall be obligated to order or expend as the result of the Agency Request or any contract entered into as a result of the Agency Request.

- B. **PERFORMANCE SECURITY:**

- 1) Performance Security: If performance security is required in the Agency Request, the successful bidder shall furnish performance security in such amount on any award of the Contract or line item purchase. See, N.J.A.C. 17:12-2.5. Acceptable forms of performance security are as follows:
  - a) an irrevocable security in the amount listed in the Agency Request payable to the Treasurer, State of New Jersey, binding the Contractor to provide faithful performance of the Contract; and
  - b) a properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey, as beneficiary issued by a federally insured financial institution.
  - c) the amount of the performance security will be stated on the cover sheet to the Agency Request. If the requirement for performance security is expressed as a percentage, security will be required only if the total amount of the Contract exceeds \$250,000.

The Performance Security must be submitted to the Director within thirty (30) days of the effective date of the contract award and cover the period of the Contract and any extensions thereof. Failure to submit performance security may result in rescission of the contract award for cause and nonpayment for work performed.

- C. **TIME PERIODS:** The Director may extend or shorten any time period specified in the Contract for good cause. Moreover, when, in the discretion of the Director, non-performance by the Contractor may affect the health, safety or welfare of the State, the Director may dispense with any time period specified Paragraph VII B herein.

- VI. **MANDATORY COMPLIANCE WITH LAW:** The Contractor's compliance with the legal requirements set forth in this paragraph as well as any other applicable laws, regulations or codes is mandatory and cannot be waived by the State, the Director, the Division or the Agency. The list of laws, regulations and/or codes cited herein is not intended to be an exhaustive list and is available for review at the State Library, 185 W. State Street, Trenton, New Jersey 08625.

- A. **BUSINESS REGISTRATION:**

- 1) All New Jersey and out of State Corporations must obtain a Business Registration Certificate (BRC) from the Department of the Treasury, Division of Revenue prior to conducting business in the State of New Jersey.
- 2) Proof of valid business registration with the Division of Revenue, Department of the Treasury, State of New Jersey, shall be submitted by the bidder and, if applicable, by every subcontractor

of the bidder, with the bidder's bid. No contract will be awarded without proof of business registration with the Division of Revenue. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG. can be filed online at [www.state.nj.us/njbgs/services.html](http://www.state.nj.us/njbgs/services.html)

- 3) Before performing work under the contract, all sub-contractors of the contractor must provide to the contractor proof of New Jersey business registration. The contractor shall forward the business registration documents on to the using agency.
- B. **AFFIRMATIVE ACTION:** The Contractor shall not discriminate in employment and agree to abide by all antidiscrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, inclusive, N.J.S.A. 10:5-1, et seq., and N.J.S.A. 10:5-38 and all rules and regulations issued thereunder as set forth in the attached Supplement to Bid Specifications.
- C. **AMERICANS WITH DISABILITIES ACT:** The Contractor shall abide by the provisions of the Americans With Disabilities Act, 42 U.S.C. §12101, et seq.
- D. **PREVAILING WAGE ACT** - The New Jersey Prevailing Wage Act, N.J.S.A. 34:11-56.26 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on this proposal is his guarantee that neither he nor any subcontractors he might employ to perform the work covered by this proposal has been suspended or debarred by the Commissioner, Department of Labor for violation of the provisions of the Prevailing Wage Act and/or the Public Works Contractor Registration Acts; the bidder's signature on the proposal is also his guarantee that he and any subcontractors he might employ to perform the work covered by this proposal will comply with the provisions of the Prevailing Wage and Public Works Contractor Registration Acts, where required.
- 1) **PUBLIC WORKS CONTRACTOR REGISTRATION ACT** - The New Jersey Public Works Contractor Registration Act requires all contractors, subcontractors and lower tier subcontractors who bid on or engage in any contract for public work as defined in N.J.S.A. 34:11-56.26 be first registered with the New Jersey Department of Labor and Workforce Development. Any questions regarding the registration process should be directed to the Division of Wage and Hour Compliance at (609) 292-9464 or <http://www.nj.gov/labor/lssse/lspubcon.html>.
- E. **OWNERSHIP DISCLOSURE:** Pursuant to N.J.S.A. 52:25-24.2, contracts for any work, goods or services cannot be issued to any corporation or partnership unless prior to or at the time of the bid submission, the bidder disclosed the names and addresses of all of its owners holding 10% or more of the corporation or partnership's stock or interest during the term of the Contract. The Contractor has the continuing obligation to notify the Division of any change in its ownership affecting 10% or more of its ownership as soon as such change has been completed.
- F. **BIDDER'S WARRANTY:** By submitting a proposal in response to the Agency Request, the bidder warrants and represents that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. The penalty for breach or violation of this provision may result in rescission of the contract award without the State being liable for damages, costs and/or attorney fees or, in the Director's discretion, a deduction from the Contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.
- G. **MACBRIDE PRINCIPLES:** The Contractor shall comply with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:34-12.2.
- H. **CODES:** The Contractor shall comply with the requirements of the New Jersey Uniform Commercial Code, the latest National Electrical Code, Building Officials & Code Administrators International, Inc. (B.O.C.A.) Basic Building Code and Occupational Safety and Health Administration to the extent applicable to the Contract.
- I. **P.L. 2004, C.57.** The contractors and its subcontractors must comply with P.L. 2004, C.57, which requires the contractor and its subcontractors to collect and remit applicable State use tax to the New Jersey Division of Taxation on the sale of all goods and services in the State of New Jersey subject to the provisions of the "Sales and Use Tax Act," P.L. 1966, C.30 (N.J.S.A. 54:32B-1 et seq.).

J. **COMPLIANCE WITH NJSA 19:44A-20.13 ET SEQ.** All contractors are required to comply with the "pay to play" disclosure requirements set forth in the statutes. Compliance requires the contractor to submit the Executive Order 134 Certification and Disclosure (DPP134-C & D). In addition, the contractor is under a continuing duty to disclose during the time of the contract all contributions made during the term of the contract covered under the statute. Towards satisfying that duty, the contractor shall submit the Continuing Disclosure of Political Contributions (DPP134-CD) when required under the statute. Failure to comply with any of the requirements of the statute may result in the termination of the contract. All forms and instructions are available on the Division of Purchase and Property web-site: <http://www.state.nj.us/treasury/purchase/forms.htm>.

K. **COMPLIANCE WITH REQUIREMENTS OF NJSA 52:34-13.2.**

- 1) NJSA 52:34-13.2 requires that all contracts that are "primarily for the performance of services" shall be performed within the United States. This provision applies to all contractors and sub-contractors performing such contracts for the State. This provision is not applicable to a contract that is "primarily for the performance of services" if:
  - a) the Director, Division of Purchase and Property or the Director, Division of Property Management and Construction certifies in writing a finding that a service is required by the Executive Branch of the State and that the service cannot be provided by a contractor or sub-contractor within the United States and the certification is approved by the State Treasurer; or
  - b) the Director, Division of Purchase and Property, or the Director, Division of Property Management and Construction, certifies in writing that the inclusion of the provision set forth within the statute for a contract would violate the terms, conditions, or limitations of any grant, funding or financial assistance from the federal government or any agency thereof, and the certification is approved by the appropriate approval officer.

2) **SOURCE DISCLOSURE REQUIREMENTS**

Pursuant to NJSA 52:34-13.2, all vendors seeking a contract with the State of New Jersey must disclose:

- a) The location by country where services under the contract will be performed; and
- b) The location by country where any subcontracted services will be performed.

Accordingly, the vendor should submit the Source Disclosure Certification Form filled out with the sourcing information required for it and any proposed subcontractor under the contract with the State. If the information is not submitted with the vendor's proposal, it shall be submitted within five (5) business days of the State's request for the information.

**FAILURE TO SUBMIT SOURCING INFORMATION WHEN REQUESTED BY THE STATE SHALL PRECLUDE AWARD OF A CONTRACT TO THE VENDOR.**

3) **BREACH OF CONTRACT**

**A SHIFT TO OUTSOURCED SERVICES DURING THE TERM OF THE CONTRACT SHALL BE DEEMED A BREACH OF THE CONTRACT.**

If, during the term of the contract, the contractor or subcontractor, who had on contract award declared that services would be performed in the United States, proceeds to shift the performance of the services outside of the United States, the contractor shall be deemed in breach of the contract, which contract shall be subject to termination for cause pursuant to Section VII B (3) (c). of the Waivered Contracts Standard Terms and Conditions, unless the Director shall have first determined in writing that the service can not be performed in the United States.

L. **SET-OFF FOR STATE TAXES AND CHILD SUPPORT:** Pursuant to N.J.S.A. 54:49-19, if the Contractor is entitled to payment under the Contract at the same time as it is indebted for any State tax (or is otherwise indebted to the State) or child support, the State Treasurer may set off that payment by the amount of the indebtedness.



M. **STANDARDS PROHIBITING CONFLICTS OF INTEREST:** The following prohibitions on vendor activities shall apply to all contracts and purchase agreements made with the State or Agencies:

- 1) No Contractor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e, in the Department of the Treasury or any other agency with which such Contractor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i of any such officer or employee, or partnership, firm or corporation with which they are employed or associated or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g.
- 2) The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the Attorney General and the Executive Commission on Ethical Standards.
- 3) No Contractor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such Contractor to, any State officer or employee or special State officer or employee or having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding the present or proposed relationship does not present the potential, actual or appearance, of a conflict of interest.
- 4) No Contractor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.
- 5) No Contractor shall cause or influence, or attempt to cause or influence, any State officer or employees or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the vendor or any other person.
- 6) The provisions cited in this paragraph shall not be construed to prohibit a State officer or employee or special State officer or employee from receiving gifts from or contracting with the Contractor under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines in the Executive Commission on Ethical Standards may promulgate under the provisions contained herein.

N. **SUBCONTRACTORS:** A vendor that will subcontract any of the work or services to be provided under the contract shall submit with its proposal to the agency a **Notice of Intent to Subcontract** form located on the Advertised Solicitation, Current Bid Opportunities webpage  
<http://www.state.nj.us/treasury/purchase/forms/SubContracting.pdf>

O. **P.L. 2005, C 271.** Contractor is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC), pursuant to P.L. 2005, c. 271, section 3 if the contractor receives contracts in excess of \$50,000 from a public entity in a calendar year. It is the contractor's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elect.state.nj.us/](http://www.elect.state.nj.us/)

#### VII. PROJECT SUSPENSION AND RESCISSION OF THE CONTRACT AWARD:

A. **SUSPENSION OF PROJECT:** If, for any reason, the project for which the Contractor's services were contracted should be suspended, the Director may suspend this contract upon seven (7) days written notice to the Contractor. Upon receipt of such notice, unless otherwise directed in writing by the Director, the Contractor shall immediately discontinue all work under the Contract. Upon such notification the Contractor shall be paid a proportion of the fee which the services actually and satisfactorily performed by it shall bear to the total services completed under the Contract, less payments previously made. The State may order that the work on the project be stopped temporarily, and upon seven (7) days written notice from the Director, the Contractor shall cease all work on the project except as necessary to properly secure the project. If the State directs that the work on the project resume within six

(6) months, the Contractor shall be obliged to complete the project for the basic fee provided for in this contract, plus additional compensation for any work necessitated by the stop order as approved by the Director in writing.

However, in the event that services are scheduled to end either by contract expiration or by rescission of the contract award by the Director (at the State's discretion), it shall be incumbent upon the Contractor to continue the service if requested by the Director to do so, until new services, if any, are completely operational. At no time shall this transitional period extend more than ninety (90) days beyond the expiration or rescission date of the existing contract, except by agreement of the parties. The Contractor will be reimbursed for this service at the rate in effect when this transitional period clause is invoked by the Director.

B. **RESCISSION OF THE CONTRACT AWARD:** The Director may rescind the contract award at any time during the duration of the Contract, without penalty, subject to the following provisions:

- 1) For Convenience: Notwithstanding any provision or language in this contract to the contrary, the Director may terminate at any time, in whole or in part, any contract entered into as a result of this Agency Request for the convenience of the State, upon no less than 30 days written notice to the contractor.
- 2) For Cause:
  - a) Where a Contractor fails to perform or comply with the Contract and/or fails to comply with the complaints procedure set forth in N.J.A.C. 17:27-4.1, et seq., the Director may rescind the contract award upon ten (10) days notice to the Contractor with an opportunity to protest said rescission and/or request an informal hearing. If the Contractor protests, the Director will complete the informal hearing, if necessary, and issue a final agency decision regarding rescission of the contract.
  - b) Where a Contractor continues to perform a contract poorly as demonstrated by one or more formal complaints resolved against it, the Director, or the Director's designee, may issue a Notice of Intent to Rescind the Contract Award with a ten (10) day opportunity for the Contractor to protest such rescission and/or request an informal hearing. If the Contractor protests, the Director will complete the hearing, if necessary, and issue a final agency decision regarding rescission and related issues including, but not limited to, damages payable to the State, subject to Paragraph VII B(5).
  - c) The Director's right to rescind the contract award for cause includes any reason set forth in any other provision contained in the Contract.
  - d) The failure of a Contractor to respond to the Director's notice of intent to rescind the contract award within the ten (10) day period automatically converts said notice into a final agency decision without further action of the Director.
  - e) The Director's right to rescind the contract award for cause includes the Contractor's performance on any other State contract, a violation of state or federal law (as demonstrated by the Contractor's admissions of same or a final decision of an appropriate decision-making body), or any reason related to the ability of the contractor to fulfill its contractual obligations. The Director may also rescind any contract with a federally debarred contractor or a contractor which is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.
- 3) In cases of emergency, the Director may shorten the time periods of notification and may dispense with an opportunity to respond.
- 4) Upon a rescission of the contract award under this or any other paragraph herein, the Contractor shall be entitled to receive as full compensation for services rendered to the date of rescission that portion of the fee which the services actually and satisfactorily performed by it, as determined by the Director, shall bear to the total services contemplated under this contract, less payments previously made.
- 5) Except for termination of the contract by the Director for convenience, upon rescission of the contract award, the Director may acquire the services which are the subject of the Contract from another source and may charge the Contractor whose contract award has been rescinded the difference in price, and the said Contractor shall be liable for same.
- 6) All protests of the Director's intent to rescind a contract award must be accompanied by a statement of the factual and/or legal basis of the protest and copies of all documents which the Contractor believes support its position.

- 7) If Director determines that an informal hearing is required, said informal hearing shall be conducted by the Director, or the designee thereof, prior to the issuance of the final agency decision regarding the interpretation of the Contract, Contractor performance and/or rescission of the contract award.

**VIII. CONTRACTOR COMPENSATION:**

- A. **PAYMENT TO CONTRACTOR:** The Contractor is authorized to submit invoices monthly for tasks and/or sub-tasks satisfactorily completed. However, payment for goods and/or services purchased by the State or Agency will only be made against Official New Jersey Payment Voucher along with supporting documentation substantiating that the work has been satisfactorily completed. Invoices must reference the tasks and/or sub-tasks detailed in the scope of work and must be in strict accordance with the firm fixed prices submitted for each task and/or sub-task of the Contract and shall otherwise be in accordance with the terms of the Contract. The State bill form in duplicate together with the original Bill of Lading, express receipt or other related papers must be sent to the consignee on the date of each delivery. Responsibility for payment rests with the Agency. Notwithstanding Section VIII B, payment will not be made until the Agency has approved payment.
- B. **NEW JERSEY PROMPT PAYMENT ACT:** The New Jersey Prompt Payment Act, N.J.S.A. 52:32-32, et. seq. requires State agencies to pay for goods and services within sixty (60) days of the Agency's receipt of a properly executed New Jersey Payment Voucher or within sixty (60) days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the Division prior to processing any payments for goods and services accepted by the State and/or the Agency. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest will not be paid unless it exceeds \$5.00 per properly executed invoice. A good faith dispute creates an exception to the Prompt Payment Act. Except as noted above, cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.
- C. **AVAILABILITY OF FUNDS:** The State's obligation to make payment under the Contract is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless and until funds are made available each fiscal year to the using agency by the State Legislature.
- D. **RETAINAGE:** If retainage is required on the Contract, the State and/or Agency will retain the stated percentage or retainage from each invoice. Payment of retainage will be authorized after satisfactory completion and submission of all services, deliverables or work products by the Contractor and acceptance by the Agency of all services, deliverables or work products required by the Contract.

For ongoing term contracts, the Agency will retain the stated percentage of each invoice submitted. At the end of the three (3) month period after payment of each invoice, the Agency will review the Contractor's performance and if performance has been satisfactory, the Agency will release the retainage for the preceding three (3) month period. Following the expiration of the Contract, retained fees will be released to the Contractor after certification by the Agency's project manager, if any, that all services have been satisfactorily performed.

- IX. **NOTICES:** All notices required under this contract shall be in writing and shall be validly and sufficiently served by the Agency and/or Division upon the Contractor, and vice versa, if addressed and mailed by certified mail to the addresses set forth in the Contract.

- X. **CLAIMS:** The following shall govern claims made by the Contractor against the State concerning interpretation of the Contract, Contractor performance and/or rescission of the contract award:

All claims asserted against the State and/or Agency by the Contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

XI. **APPLICABLE LAW:** This agreement and any and all litigation arising therefrom or related thereto shall be governed by the applicable laws, regulations and rules of evidence of the State of New Jersey without reference to conflict of laws principles.

I HEREBY ACCEPT THE TERMS AND  
CONDITIONS OF THIS AGREEMENT

NAME

TITLE

COMPANY NAME

DATE

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**PUBLIC LAW 2005  
CHAPTER 271**

**Vendor Certification and  
Political Contribution  
Disclosure Form**

**Contract Reference:** \_\_\_\_\_ **Vendor:** \_\_\_\_\_

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At least ten (10) days prior to entering into the above-referenced contract, the Vendor must complete this Certification and Disclosure Form, in accordance with the directions below and submit it to the State contact for such contract.

**Please note that the disclosure requirements under Public Law 2005, Chapter 271 are separate and different from the disclosure requirements under Public Law 2005, Chapter 51 (formerly Executive Order 134). Although no vendor will be precluded from entering into a contract by any information submitted on this form, a vendor's failure to fully, accurately and truthfully complete this form and submit it to the appropriate State agency may result in the imposition of fines by the New Jersey Election Law Enforcement Commission.**

**Disclosure**

Following is the required Vendor disclosure of all Reportable Contributions made in the twelve (12) months prior to and including the date of signing of this Certification and Disclosure to: (i) any State, county, or municipal committee of a political party, legislative leadership committee, candidate committee of a candidate for, or holder of, a State elective office, or (ii) any entity that is also defined as a "continuing political committee" under N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.

The Vendor is required to disclose Reportable Contributions by: the Vendor itself; all persons or other business entities owning or controlling more than 10% of the profits of the Vendor or more than 10% of the stock of the Vendor, if the Vendor is a corporation for profit; a spouse or child living with a natural person that is a Vendor; all of the principals, partners, officers or directors of the Vendor and all of their spouses; any subsidiaries directly or indirectly controlled by the Vendor; and any political organization organized under section 527 of the Internal Revenue Code that is directly or indirectly controlled by the Vendor, other than a candidate committee, election fund, or political party committee.

"Reportable Contributions" are those contributions that are required to be reported by the recipient under the "New Jersey Campaign Contributions and Expenditures Reporting Act," P.L. 1973, c.83 (C.19:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-10.1 et seq. As of January 1, 2005, contributions in excess of \$300 during a reporting period are deemed "reportable."

**PUBLIC LAW 2005**  
**CHAPTER 271**

**Vendor:** \_\_\_\_\_

Name and Address of Committee to Which Contribution Was Made	Date of Contribution	Amount of Contribution	Contributor's Name
Indicate " <u>none</u> " if no Reportable Contributions were made. Attach Additional Pages As Needed			

**#1**

**Certification:**

I certify as an officer or authorized representative of the Vendor that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

**#2**

**Name of Vendor:** \_\_\_\_\_

**Signed:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_



**State of New Jersey**  
**Division of Purchase and Property**  
**Two-Year Chapter 51 / Executive Order 117 Vendor Certification and**  
**Disclosure of Political Contributions**

**For AGENCY USE ONLY**

**General Information**

Solicitation, RFP or Contract No. \_\_\_\_\_ Award Amount \_\_\_\_\_  
Description of Services \_\_\_\_\_

**Agency Contact Information**

Agency \_\_\_\_\_ Contact Person \_\_\_\_\_  
Phone Number \_\_\_\_\_ Agency Email \_\_\_\_\_

**Part 1: Vendor Information**

Full Legal Business Name \_\_\_\_\_  
(Including trade name if applicable)

**Business Type**    ☐ Corporation    ☐ Limited Partnership    ☐ Professional Corporation    ☐ General Partnership  
                         ☐ Limited Liability Company    ☐ Sole Proprietorship    ☐ Limited Liability Partnership

Address 1 \_\_\_\_\_ Address 2 \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Phone \_\_\_\_\_  
Vendor Email \_\_\_\_\_ Vendor FEIN \_\_\_\_\_

**Part 2: Public Law 2005, Chapter 51/ Executive Order 117 (2008) Certification**

I hereby certify as follows:

1. On or after October 15, 2004, neither the below-named entity nor any individual whose contributions are attributable to the entity pursuant to Executive Order 117 (2008) has solicited or made any contribution of money, pledge of contribution, including in-kind contributions, company or organization contributions, as set forth below that would bar the award of a contract to the vendor, pursuant to the terms of Executive Order 117 (2008).
  - a) **Within the preceding 18 months**, the below-named person or organization has not made a contribution to:
    - (i) Any candidate committee and/or election fund of any candidate for or holder of the public office of Governor or **Lieutenant Governor**,
    - (ii) Any State, county, **municipal** political party committee; OR
    - (iii) Any **legislative leadership committee**.
  - b) **During the term of office of the current Governor(s)**, the below-named person or organization has not made a contribution to:
    - (i) Any candidate, committee and/or election fund of the Governor or **Lieutenant Governor**, OR
    - (ii) Any State, county or **municipal** political party committee nominating such Governor in the election preceding the commencement of said Governor's term.
  - c) **Within the 18 months immediately prior to the first day of the term of office of the Governor(s)**, the below-named person or organization has not made a contribution to:
    - (i) Any candidate, committee and/or election fund of the Governor or **Lieutenant Governor**, OR  
Any State, county, **municipal** political party committee of the political party nominating the successful gubernatorial candidate(s) in the last gubernatorial election.

**PLEASE NOTE: Prior to November 15, 2008**, the only disqualifying contributions include those made by the vendor or a principal owning or controlling more than 10 percent of the profits or assets of a business entity (or 10 percent of the stock in the case of a business entity that is a corporation for profit) to any candidate committee and/or election fund of the Governor or to any state or county political party within the preceding 18 months, during the term of office of the current Governor or within the 18 months immediately prior to the first day of the term of Office of Governor.

### Part 3: Disclosure of Contributions Made

☐ Check this box if no reportable contributions have been made by the above-named business entity or individual.

Name of Recipient _____	Address of Recipient _____
Date of Contribution _____	Amount of Contribution _____
Type of Contribution (i.e. currency, check, loan, in-kind) _____	
Contributor Name _____	
Relationship of Contributor to the Vendor _____	
Contributor Address _____	
City _____	State _____ Zip _____

If this form is not being completed electronically, please attach pages for additional contributions as necessary. Otherwise click "Add a Contribution" to enter additional contributions.



#### Part 4: Certification

I have read the instructions accompanying this form prior to completing this certification on behalf of the above-named business entity. I certify that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

**I understand that this certification will be in effect for two (2) years from the date of approval, provided the ownership status does not change and/or additional contributions are not made.** If there are any changes in the ownership of the entity or additional contributions are made, a new full set of documents are required to be completed and submitted. By submitting this Certification and Disclosure, the person or entity named herein acknowledges this continuing reporting responsibility and certifies that it will adhere to it.

(CHECK ONE BOX A, B or C)

- (A) ☐ I am certifying on behalf of the above-named business entity and all individuals and/or entities whose contributions are attributable to the entity pursuant to Executive Order 117 (2008).
- (B) ☐ I am certifying on behalf of the above-named business entity only.
- (C) ☐ I am certifying on behalf of an individual and/or entity whose contributions are attributable to the vendor.

Signed Name \_\_\_\_\_ Print Name \_\_\_\_\_

Phone Number \_\_\_\_\_ Date \_\_\_\_\_

Title/Position \_\_\_\_\_

#### **Agency Submission of Forms**

The agency should submit the completed and signed Two-Year Vendor Certification and Disclosure forms, together with a completed Ownership Disclosure form, either electronically to [cd134@treas.state.nj.us](mailto:cd134@treas.state.nj.us), or regular mail at Chapter 51 Review Unit, P.O. Box 039, 33 West State Street, 9<sup>th</sup> Floor, Trenton, NJ 08625. The agency should save the forms locally and keep the original forms on file, and submit copies to the Chapter 51 Review Unit.

**"N.J.S.A. 52:34-13.2 CERTIFICATION"**  
**SOURCE DISCLOSURE CERTIFICATION FORM**

Contractor: \_\_\_\_\_ Waiver Number: \_\_\_\_\_

I hereby certify and say:

I have personal knowledge of the facts set forth herein and am authorized to make this Certification on behalf of the Contractor.

The Contractor submits this Certification in response to the referenced contract issued by the Division of Purchase and Property, Department of the Treasury, State of New Jersey (the "Division"), in accordance with the requirements of N.J.S.A. 52:34-13.2.

Instructions:

**List every location where services will be performed by the Contractor and all Subcontractors.**

If any of the services cannot be performed within the United States, the Contractor shall state, with specificity the reasons why the services cannot be so performed. Attach additional pages if necessary.

Contractor and/or Subcontractor	Description of Services	Performance Location[s] by <b>COUNTRY</b>	Reasons why services cannot be performed in <b>USA</b>
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Any changes to the information set forth in this Certification during the term of any contract awarded under the referenced solicitation or extension thereof will be immediately reported by the Contractor to the Director, Division of Purchase and Property (the "Director").

The Director shall determine whether sufficient justification has been provided by the Contractor to form the basis of his certification that the services cannot be performed in the United States and whether to seek the approval of the Treasurer.

I understand that, after award of a contract to the Contractor, it is determined that the Contractor has shifted services declared above to be provided within the United States to sources outside the United States, prior to a written determination by the Director that extraordinary circumstances require the shift of services or that the failure to shift the services would result in economic hardship to the State of New Jersey, the Contractor shall be deemed in breach of contract, which contract will be subject to termination for cause pursuant to Section 3.5b.1 of the Standard Terms and Conditions.

I further understand that this Certification is submitted on behalf of the Contractor in order to induce the Division to accept a bid proposal, with knowledge that the Division is relying upon the truth of the statements contained herein.

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I certify that, to the best of my knowledge and belief, the foregoing statements by me are true. I am aware that if any of the statements are willfully false, I am subject to punishment.

Contractor: \_\_\_\_\_  
[Name of Organization or Entity]

By: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**OWNERSHIP DISCLOSURE FORM**

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE & PROPERTY  
STATE OF NEW JERSEY  
33 W. STATE ST., 9TH FLOOR  
PO BOX 230  
TRENTON, NEW JERSEY 08625-0230

BID NUMBER: \_\_\_\_\_

BIDDER: \_\_\_\_\_

**INSTRUCTIONS** : Provide below the names, home addresses, dates of birth, offices held and any ownership interest of all officers of the firm named above. If additional space is necessary, provide on an attached sheet.

NAME	HOME ADDRESS	DATE OF BIRTH	OFFICE HELD	OWNERSHIP INTEREST (Shares Owned or % of Partnership)

**INSTRUCTIONS** : Provide below the names, home addresses, dates of birth, and ownership interest of all individuals not listed above, and any partnerships, corporations and any other owner having a 10% or greater interest in the firm named above. If a listed owner is a corporation or partnership, provide below the same information for the holders of 10% or more interest in that corporation or partnership. If additional space is necessary, provide that information on an attached sheet. Complete the certification at the bottom of this form. If this form has previously been submitted to the Purchase Bureau in connection with another bid, indicate changes, if any, where appropriate, and complete the certification below.

**If there are no owners with 10% or more interest in your firm, enter "None" below.**

NAME	HOME ADDRESS	DATE OF BIRTH	OFFICE HELD	OWNERSHIP INTEREST (Shares Owned or % of Partnership)

**COMPLETE ALL QUESTIONS BELOW**

- |   | YES                   | NO                    |
|---|-----------------------|-----------------------|
| 1. Within the past five years has another company or corporation had a 10% or greater interest in the firm identified above?<br>(If yes, complete and attach a separate disclosure form reflecting previous ownership interests.)   | <input type="radio"/> | <input type="radio"/> |
| 2. Has any person or entity listed in this form or its attachments ever been arrested, charged, indicted or convicted in a criminal or disorderly persons matter by the State of New Jersey, any other State or the U.S. Government? (If yes, attach a detailed explanation for each instance.)   | <input type="radio"/> | <input type="radio"/> |
| 3. Has any person or entity listed in this form or its attachments ever been suspended, debarred or otherwise declared ineligible by any agency of government from bidding or contracting to provide services, labor, material, or supplies? (If yes, attach a detailed explanation for each instance.)   | <input type="radio"/> | <input type="radio"/> |
| 4. Are there now any criminal matters or debarment proceedings pending in which the firm and/or its officers and/or managers are involved? (If yes, attach a detailed explanation for each instance.)   | <input type="radio"/> | <input type="radio"/> |
| 5. Has any Federal, State or Local license, permit or other similar authorization, necessary to perform the work applied for herein and held or applied for by any person or entity listed in this form, been suspended or revoked, or been the subject or any pending proceedings specifically seeking or litigating the issue of suspension or revocation? (If yes, attach a detailed explanation for each instance.) | <input type="radio"/> | <input type="radio"/> |

**CERTIFICATION** : I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that **I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers or information contained herein.** I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option, may declare any contract(s) resulting from this certification void and unenforceable.

I, being duly authorized, certify that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge, I certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Company Name: \_\_\_\_\_

(Signature)

Address: \_\_\_\_\_

PRINT OR TYPE: \_\_\_\_\_

(Name)

PRINT OR TYPE: \_\_\_\_\_

(Title)

FEIN/SSN#: \_\_\_\_\_

Date: \_\_\_\_\_

## **DISCLOSURE OF INVESTIGATIONS AND ACTIONS INVOLVING BIDDER**

The bidder shall provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five years including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition.

### **Investigation**

Indicate "NONE" if no investigations were undertaken. Attach additional pages if necessary.

<b>Person or Entity</b>	<b>Date of Inception</b>	<b>Brief Description</b>	<b>Disposition/Status (if applicable)</b>	<b>Bidder Contact Name and Telephone Number for additional information</b>

### **Litigation/Administrative Complaints**

Indicate "NONE" if no Litigation/Administrative Complaints. Attach additional pages if necessary.

<b>Person or Entity</b>	<b>Date of Inception</b>	<b>Caption of the Action</b>	<b>Brief Description of the Action</b>	<b>Current Status/Disposition, (if applicable)</b>	<b>Bidder Contact Name and Telephone Number for additional information</b>

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**MACBRIDE PRINCIPLES FORM****BIDDER'S REQUIREMENT: TO PROVIDE A CERTIFICATION  
IN COMPLIANCE WITH MACBRIDE PRINCIPLES  
AND NORTHERN IRELAND ACT OF 1989**

Pursuant to Public Law 1995, c. 134, a responsible bidder selected, after public bidding, by the Director of the Division of Purchase and Property, pursuant to N.J.S.A. 52:34-12, or the Director of the Division of Building and Construction, pursuant to N.J.S.A. 52:32-2, must complete the certification below by checking one of the two representations listed and signing where indicated. If a bidder who would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Directors may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another bidder who has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Directors find contractors to be in violation of the principles which are the subject of this law, they shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I certify, pursuant to N.J.S.A. 52:34-12.2 that the entity for which I am authorized to bid:

- ☒ has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein through the operation of offices, plants, factories, or similar facilities, either directly or indirectly, through intermediaries, subsidiaries or affiliated companies over which it maintains effective control; or
- ☐ will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.5 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Firm Name:** \_\_\_\_\_

## Affirmative Action Supplement

AFFIRMATIVE ACTION	Term Contract - Advertised Bid Proposal
Department of the Treasury Division of Purchase & Property State of New Jersey 33 W. State St., 9th Floor PO Box 230 Trenton, New Jersey 08625-0230	Bid Number: _____ Bidder: _____ _____

**EXHIBIT A**  
**MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE**  
**N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127)**  
**N.J.A.C. 17:27**

**GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS**

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to afford equal employment opportunities to minority and women workers consistent with Good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2, or Good faith efforts to meet targeted county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval

Certificate of Employee Information Report

Employee Information Report Form AA302

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Public Contracts Equal Employment Opportunity Compliance for conducting a compliance investigation pursuant to **Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.**

**\* NO FIRM MAY BE ISSUED A PURCHASE ORDER OR CONTRACT WITH THE STATE UNLESS THEY COMPLY WITH THE AFFIRMATIVE ACTION REGULATIONS**

**PLEASE CHECK APPROPRIATE BOX (ONE ONLY)**

- ☐ I HAVE A CURRENT NEW JERSEY AFFIRMATIVE ACTION CERTIFICATE, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).
- ☐ I HAVE A VALID FEDERAL AFFIRMATIVE ACTION PLAN APPROVAL LETTER, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).
- ☐ I HAVE COMPLETED THE ENCLOSED FORM AA302 AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT.

## INSTRUCTIONS FOR COMPLETING THE EMPLOYEE INFORMATION REPORT (FORM AA302)

**IMPORTANT:** READ THE FOLLOWING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE FORM. PRINT OR TYPE ALL INFORMATION. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM **AND TO SUBMIT THE REQUIRED \$150.00 NON-REFUNDABLE FEE MAY DELAY ISSUANCE OF YOUR CERTIFICATE. IF YOU HAVE A CURRENT CERTIFICATE OF EMPLOYEE INFORMATION REPORT, DO NOT COMPLETE THIS FORM UNLESS YOU ARE RENEWING A CERTIFICATE THAT IS DUE FOR EXPIRATION. DO NOT COMPLETE THIS FORM FOR CONSTRUCTION CONTRACT AWARDS.**

**ITEM 1** - Enter the Federal Identification Number assigned by the Internal Revenue Service, or if a Federal Employer Identification Number has been applied for, or if your business is such that you have not or will not receive a Federal Employer Identification Number, enter the Social Security Number of the owner or of one partner, in the case of a partnership.

**ITEM 2** - Check the box appropriate to your TYPE OF BUSINESS. If you are engaged in more than one type of business check the predominate one. If you are a manufacturer deriving more than 50% of your receipts from your own retail outlets, check "Retail".

**ITEM 3** - Enter the total "number" of employees in the entire company, including part-time employees. This number shall include all facilities in the entire firm or corporation.

**ITEM 4** - Enter the name by which the company is identified. If there is more than one company name, enter the predominate one.

**ITEM 5** - Enter the physical location of the company. Include City, County, State and Zip Code.

**ITEM 6** - Enter the name of any parent or affiliated company including the City, County, State and Zip Code. If there is none, so indicate by entering "None" or N/A.

**ITEM 7** - Check the box appropriate to your type of company establishment. "Single-establishment Employer" shall include an employer whose business is conducted at only one physical location. "Multi-establishment Employer" shall include an employer whose business is conducted at more than one location.

**ITEM 8** - If "Multi-establishment" was entered in item 8, enter the number of establishments within the State of New Jersey.

**ITEM 9** - Enter the total number of employees at the establishment being awarded the contract.

**ITEM 10** - Enter the name of the Public Agency awarding the contract. Include City, County, State and Zip Code. This is not applicable if you are renewing a current Certificate.

**ITEM 11** - Enter the appropriate figures on all lines and in all columns. THIS SHALL ONLY INCLUDE EMPLOYMENT DATA FROM THE FACILITY THAT IS BEING AWARDED THE CONTRACT. DO NOT list the same employee in more than one job category. **DO NOT attach an EEO-1 Report.**

**Racial/Ethnic Groups will be defined:**

**Black:** Not of Hispanic origin. Persons having origin in any of the Black racial groups of Africa.

**Hispanic:** Persons of Mexican, Puerto Rican, Cuban, or Central or South American or other Spanish culture or origin, regardless of race.

**American Indian or Alaskan Native:** Persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

**Asian or Pacific Islander:** Persons having origin in any of the original peoples of the Far East, Southeast Asia, the Indian Sub-continent or the Pacific Islands. This area includes for example, China, Japan, Korea, the Phillippine Islands and Samoa.

**Non-Minority:** Any Persons not identified in any of the aforementioned Racial/Ethnic Groups.

**ITEM 12** - Check the appropriate box. If the race or ethnic group information was not obtained by 1 or 2, specify by what other means this was done in 3.

**ITEM 13** - Enter the dates of the payroll period used to prepare the employment data presented in Item 12.

**ITEM 14** - If this is the first time an Employee Information Report has been submitted for this company, check block "Yes".

**ITEM 15** - If the answer to Item 15 is "No", enter the date when the last Employee Information Report was submitted by this company.

**ITEM 16** - Print or type the name of the person completing the form. Include the signature, title and date.

**ITEM 17** - Enter the physical location where the form is being completed. Include City, State, Zip Code and Phone Number.

### TYPE OR PRINT IN SHARP BALL POINT PEN

THE VENDOR IS TO COMPLETE THE EMPLOYEE INFORMATION REPORT FORM (AA302) AND RETAIN A COPY FOR THE VENDOR'S OWN FILES. THE VENDOR SHOULD ALSO SUBMIT A COPY TO THE PUBLIC AGENCY AWARDED THE CONTRACT IF THIS IS YOUR FIRST REPORT; AND FORWARD ONE COPY **WITH A CHECK IN THE AMOUNT OF \$150.00 PAYABLE TO THE TREASURER, STATE OF NEW JERSEY(FEE IS NON-REFUNDABLE)** TO:

**NJ Department of the Treasury  
Division of Public Contracts  
Equal Employment Opportunity Compliance  
P.O. Box 206**

Trenton, New Jersey 08625-0206

Telephone No. (609) 292-5473

## SECTION A - COMPANY IDENTIFICATION

## SECTION B - EMPLOYMENT DATA

[illegible]

12. HOW WAS INFORMATION AS TO RACE OR ETHNIC GROUP IN SECTION B OBTAINED?	14. IS THIS THE FIRST Employee Information Report Submitted?	15. IF NO, DATE LAST REPORT SUBMITTED
13. DATES OF PAYROLL PERIOD USED FROM: TO:	<input type="checkbox"/> YES <input type="checkbox"/> NO	

16. NAME OF PERSON COMPLETING FORM (Print or Type)		SIGNATURE		TITLE		DATE	
17. ADDRESS NO. & STREET		CITY		COUNTY		STATE ZIP CODE PHONE, AREA CODE, NO.	

I certify that the information on this form is true an correct.



**NOTICE TO ALL BIDDERS**  
**SET-OFF FOR STATE TAX**

Please be advised that, pursuant to P.L. 1995, c.159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice of the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c. 52:32-32 et seq.), to the taxpayer shall be stayed.

"I HAVE BEEN ADVISED OF THIS NOTICE"

COMPANY \_\_\_\_\_

SIGNATURE \_\_\_\_\_

NAME \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

## NJ-REG

(06-10)

STATE OF NEW JERSEY  
DIVISION OF REVENUE

## BUSINESS REGISTRATION APPLICATION

**\* NO FEE REQUIRED \***Please read instructions carefully before filling out this form  
ALL SECTIONS MUST BE FULLY COMPLETEDMAIL TO:  
CLIENT REGISTRATION  
PO BOX 252  
TRENTON, NJ 08646-0252OVERNIGHT DELIVERY:  
CLIENT REGISTRATION3  
33 W. STATE ST.  
TRENTON, NJ 08608File Online at:  
www.nj.gov/NJBGS

## A. Please indicate the reason for your filing this application:

- ☐ Original application for a new business  
☐ Moved previously registered business to new location (REG-C-L can be used in lieu of NJ-REG)  
☐ Amended application for an existing business  
Reason(s) for amending application: \_\_\_\_\_  
☐ Application for an additional location of an existing registered business  
☐ Applying for a Business Registration Certificate

## B. FEIN #

         

OR Soc. Sec. # of Owner

         
☐ Check Box if "Applied for"

## C. Name

(If your business entity is a Corporation, LLC, LLP, LP or Non-Profit Organization, give entity name. If NOT, give Name or Owner or Partners)

## D. Trade Name

## E. Business Location: (Do not use P.O. Box for Location Address)

Street

City

State

Zip Code

(Give 9-digit Zip)

(See instructions for providing alternate addresses)

## F. Mailing Name and Address: (if different from business address)

Name

Street

City

State

Zip Code

(Give 9-digit Zip)

## G. Beginning date for this business:

\_\_\_\_ / \_\_\_\_ / \_\_\_\_ (see instructions)

O/C \_\_\_\_

## H. Type of ownership (check one):

- ☐ NJ Corporation ☐ Sole Proprietor ☐ Partnership ☐ Out-of-State Corporation ☐ LLP ☐ Other \_\_\_\_\_  
☐ Limited Partnership ☐ LLC (1065 Filer) ☐ LLC (1120 Filer) ☐ LLC (Single Member) ☐ S Corporation (You **must** complete page 41)

## I. New Jersey Business Code

   

(see instructions)

## J. County / Municipality Code

   

(see instructions)

## K. County

( New Jersey only )

DLN \_\_\_\_\_

## L. Will this business be SEASONAL?

☐ Yes ☐ No

If YES - Circle months business will be open:

JAN

FEB

MAR

APR

MAY

JUN

JUL

AUG

SEPT

OCT

NOV

DEC

## M. If an ENTITY (Item C) complete the following:

Date of Incorporation:

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
month day year

State of Incorporation

 

Fiscal month

 

NJ Business/Corp. #

   
   
 
Is this a Subsidiary of another corporation? ☐ YES ☐ NO

If YES, give name and Federal ID# of parent: \_\_\_\_\_

## N. Standard Industrial Code

   

(If known)

## O. NAICS

     

(If known)

## P. Provide the following information for the owner, partners or responsible corporate officers. (If more space is needed, attach rider)

REGISTRATION DETAIL

BUSINESS DETAIL

OWNERSHIP DETAIL

NAME (Last Name, First, MI)	SOCIAL SECURITY NUMBER TITLE	HOME ADDRESS (Street, City, State, Zip)	PERCENT OF OWNERSHIP

BE SURE TO COMPLETE NEXT PAGE

FEIN#: \_\_\_\_\_ NAME: \_\_\_\_\_

NJ-REG

**Each Question Must Be Answered Completely**

1. a. Have you or will you be paying wages, salaries or commissions to employees working in New Jersey within the next 6 months? ☐ Yes ☐ No

Give date of first wage or salary payment: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Month Day Year

If you answered "No" to question 1.a., please be aware that if you begin paying wages you are required to notify the Client Registration Bureau at PO Box 252, Trenton NJ 06646-0252, or phone (609) 292-1730.

- b. Give date of hiring first NJ employee: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Month Day Year

- c. Date cumulative gross payroll exceeds \$1000 \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Month Day Year

- d. Will you be paying wages, salaries or commissions to New Jersey residents working outside New Jersey? ☐ Yes ☐ No

- e. Will you be the payer of pension or annuity income to New Jersey residents? ☐ Yes ☐ No

- f. Will you be holding legalized games of chance in New Jersey (as defined in Chapter 47 Rules of Legalized Games of Chance) where proceeds from any one prize exceed \$1,000? ☐ Yes ☐ No

- g. Is this business a PEO (Employee Leasing Company)? (If yes, see page 6) ☐ Yes ☐ No

2. Did you acquire ☐ Substantially all the assets; ☐ Trade or business; ☐ Employees; of any previous employing units? ☐ Yes ☐ No

If answer is "No", go to question 4.

If answer is "Yes", indicate by a check whether ☐ in whole or ☐ part, and list business name, address and registration number of predecessor or acquired unit and the date business was acquired by you. (If more than one, list separately. Continue on separate sheet if necessary.)

Name of Acquired Unit \_\_\_\_\_ NJ Employee ID \_\_\_\_\_

Address \_\_\_\_\_ Date Acquired \_\_\_\_\_

**ACQUIRED**☐ Assets☐ Trade or Business☐ Employees**PERCENTAGE  
ACQUIRED**

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

3. Subject to certain regulations, the law provides for the transfer of the predecessor's employment experience to a successor where the whole of a business is acquired from a subject predecessor employer. The transfer of the employment experience is required by law.

Are the predecessor and successor units owned or controlled by the same interests? ☐ Yes ☐ No

4. Is your employment agricultural? ☐ Yes ☐ No

5. Is your employment household? ☐ Yes ☐ No

- a. If yes, please indicate the date in the calendar quarter in which gross cash wages totaled \$1,000 or more \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Month Day Year

6. Are you a 501(c)(3) organization? ☐ Yes ☐ No

If "Yes," to apply for sales tax exemption, obtain form REG-1E at [www.state.nj.us/treasury/taxation/exemption.htm](http://www.state.nj.us/treasury/taxation/exemption.htm).

7. Were you subject to the Federal Unemployment Tax Act (FUTA) in the current or preceding calendar year? ☐ Yes ☐ No

(See instruction sheet for explanation of FUTA) If "Yes", indicate year: \_\_\_\_\_

8. a. Does this employing unit claim exemption from liability for contributions under the Unemployment Compensation Law of New Jersey? ☐ Yes ☐ No

If "Yes," please state reason. (Use additional sheets if necessary.) \_\_\_\_\_

- b. If exemption from the mandatory provisions of the Unemployment Compensation Law of New Jersey is claimed, does this employing unit wish to voluntarily elect to become subject to its provisions for a period of not less than two complete calendar years? ☐ Yes ☐ No

9. Types of Business ☐ 1. Manufacturer ☐ 2. Service ☐ 3. Wholesale  
☐ 4. Construction ☐ 5. Retail ☐ 6. Government

Principal product or service in New Jersey only \_\_\_\_\_

Type of Activity in New Jersey only \_\_\_\_\_

10. List below each place of business and each class of industry in New Jersey, even though you may have only one place of business or engage in only one class of industry.

- a. Do you have more than one employing facility in New Jersey? ☐ Yes ☐ No

NJ WORK LOCATIONS (Physical location, not mailing address)		NATURE OF BUSINESS (See instructions)		No. of Workers at Each Location and/in Each Class of Industry
Street Address, City, Zip Code	County	NAICS Code	Principal Product or Service Complete Description %	

(Continue on separate sheet, if necessary)

BE SURE TO COMPLETE NEXT PAGE

FEIN: \_\_\_\_\_ NAME: \_\_\_\_\_

NJ-REG  
(8-06)**Each Question Must Be Answered Completely**

11. a. Will you collect New Jersey Sales Tax and/or pay Use Tax? ..... ☐ Yes ☐ No  
 GIVE EXACT DATE YOU EXPECT TO MAKE FIRST SALE \_\_\_\_\_  
 Month / Day / Year
- b. Will you need to make exempt purchases for your inventory or to produce your product? ..... ☐ Yes ☐ No
- c. Is your business located in (check applicable box(es)): ☐ Atlantic City ☐ Salem County  
☐ North Wildwood ☐ Wildwood Crest ☐ Wildwood
- d. Do you have more than one location in New Jersey that collects New Jersey Sales Tax? (If yes, see instructions) ..... ☐ Yes ☐ No
- e. Do you, in the regular course of business, sell, store, deliver or transport natural gas or electricity to users or customers in this state whether by mains, lines or pipes located within this State or by any other means of delivery? ..... ☐ Yes ☐ No
12. Do you intend to sell cigarettes? ..... ☐ Yes ☐ No  
**Note:** If yes, complete the REG-L form on page 45 in this booklet and return with your completed NJ-REG.  
 To obtain a cigarette retail or vending machine license complete the form CM-100 on page 47.
13. a. Are you a **distributor** or **wholesaler** of tobacco products other than cigarettes? ..... ☐ Yes ☐ No  
 b. Do you purchase tobacco products other than cigarettes from outside the State of New Jersey? ..... ☐ Yes ☐ No
14. Are you a manufacturer, wholesaler, distributor or retailer of "litter-generating products"? See instructions for retailer ..... ☐ Yes ☐ No  
 liability and definition of litter-generating products.
15. Are you an owner or operator of a sanitary landfill facility in New Jersey? ..... ☐ Yes ☐ No  
 IF YES, indicate D.E.P. Facility # and type (See instructions) \_\_\_\_\_
16. a. Do you operate a facility that has the total combined capacity to store 200,000 gallons or more of petroleum products? ... ☐ Yes ☐ No  
 b. Do you operate a facility that has the total combined capacity to store 20,000 gallons  
 (equals 167,043 pounds) of hazardous chemicals? ..... ☐ Yes ☐ No  
 c. Do you store petroleum products or hazardous chemicals at a public storage terminal? ..... ☐ Yes ☐ No  
 Name of terminal \_\_\_\_\_
17. a. Will you be involved with the sale or transport of motor fuels and/or petroleum? ..... ☐ Yes ☐ No  
**Note:** If yes, complete the REG-L form in this booklet and return with your completed NJ-REG.  
 To obtain a motor fuels retail or transport license complete and return the CM-100 in this booklet.
- b. Will your company be engaged in the refining and/or distributing of petroleum products for distribution in this State or the importing of petroleum products into New Jersey for consumption in New Jersey? ..... ☐ Yes ☐ No
- c. Will your business activity require you to issue a Direct Payment Permit in lieu of payment of the Petroleum Products Gross Receipts Tax on your purchases of petroleum products? ..... ☐ Yes ☐ No
18. Will you be providing goods and services as a direct contractor or subcontractor to the state, other public agencies including local governments, colleges and universities and school boards, or to casino licensees? ..... ☐ Yes ☐ No
19. Will you be engaged in the business of renting motor vehicles for the transportation of persons or non-commercial freight? ..... ☐ Yes ☐ No
20. Is your business a hotel, motel, bed & breakfast or similar facility and located in the State of New Jersey? ..... ☐ Yes ☐ No
21. Do you hold a permit or license, issued by the New Jersey Department of Transportation, to erect and maintain an outdoor advertising sign or to engage in the business of outdoor advertising? ... **Fee expired effective 7/1/07** ..... ☐ Yes ☐ No
22. Do you make retail sales of new motor vehicle tires, or sell or lease motor vehicles? ..... ☐ Yes ☐ No
23. Do you provide "cosmetic medical procedures" or goods or occupancies directly associated with such procedures? ..... ☐ Yes ☐ No  
 (See description of Cosmetic Procedures Gross Receipts Tax in the list of Taxes of the State of New Jersey, page 5.)  
 Type of Business \_\_\_\_\_
24. Do you sell voice grade access telecommunications or mobile telecommunications to a customer with a primary place of use in this State? ..... ☐ Yes ☐ No
25. Will you make retail sales of "fur clothing"? ..... ☐ Yes ☐ No  
 (See full description of Fur Clothing Retail Gross Receipts Tax in the list of Taxes of the State of New Jersey, page 5)
26. Contact Information: Person \_\_\_\_\_ Title: \_\_\_\_\_  
 Daytime Phone: ( ) \_\_\_\_\_ - \_\_\_\_\_ Ext. \_\_\_\_\_ E-mail address: \_\_\_\_\_  
 Signature of Owner, Partner or Officer: \_\_\_\_\_  
 Title \_\_\_\_\_ Date: \_\_\_\_\_

**NO FEE IS REQUIRED TO FILE THIS FORM**

IF YOU ARE A SOLE PROPRIETOR OR A PARTNERSHIP WITHOUT EMPLOYEES - **STOP HERE** -  
 IF YOU HAVE EMPLOYEES PROCEED TO THE STATE OF NJ NEW HIRE REPORTING FORM ON PAGE 29

IF YOU ARE FORMING A CORPORATION, LIMITED LIABILITY COMPANY, LIMITED PARTNERSHIP, OR A LIMITED LIABILITY PARTNERSHIP YOU MUST CONTINUE ANSWERING APPLICABLE QUESTIONS ON PAGES 23 AND 24

**If you are a sole proprietor or partnership, the following information does not pertain to you.**

If you have already filed a new business certificate with our Commercial Recording/Corporate Filing Unit, you need only fill out pages 17, 18 and 19 of this package (NJ-REG). In addition, you need to complete the State of New Jersey New Hire Reporting Form (page 29) if you have employees. There is no need to complete pages 23 and 24 of the package if you have successfully filed with Commercial Recording.

Applicants who are registering as a New Business Entity (corporation, limited liability company, limited partnership or a limited liability partnership) and have not already filed with Commercial Recording/Corporate Filing Unit, must complete the Public Records Filing for New Business Entity (pages 23 and 24) in addition to form NJ-REG.

The Public Records Filing should be submitted prior to the completion of the NJ-REG to establish the business entity. However, form NJ-REG must be submitted within 60 days of filing the business entity.

**Important Note:** Once you are registered as a New Business Entity, you will be required to file an annual report for the entity. This report must be filed annually on the anniversary month of the business entity's formation. For your convenience, all major credit cards as well as electronic check (e-check) may be used to pay the filing fee. A notice of the reporting requirement will be sent to the Registered Agent on file 60 days prior the report due date.

Beginning in the fall 2005, the annual report must be filed *electronically*. Please visit our website at [www.nj.gov/njbgs](http://www.nj.gov/njbgs) for additional information about the annual report.

**"FEE REQUIRED" PUBLIC RECORDS FILING FOR NEW BUSINESS ENTITY**

Fill out all information below INCLUDING INFORMATION FOR ITEM 11, and sign in the space provided. Please note that once filed, this form constitutes your original certificate of incorporation/formation/registration/authority, and the information contained in the filed form is considered public. Refer to the instructions for delivery/return options, filing fees and field-by-field requirements. Remember to remit the appropriate fee amount. Use attachments if more space is required for any field, or if you wish to add articles for the public record.

**1. Business Name:**

**2. Type of Business Entity:** \_\_\_\_\_  
(See Instructions for Codes, Page 21, Item 2)

**3. Business Purpose :**  
(See Instructions, Page 22, Item 3)

**4. Stock** (Domestic Corporations only; LLCs and Non-Profit leave blank):

**5. Duration** (If Indefinite or Perpetual, leave blank):

**6. State of Formation/Incorporation** (Foreign Entities Only):

**7. Date of Formation/Incorporation** (Foreign Entities Only):

**8. Contact Information:**

Registered Agent Name: \_\_\_\_\_

Registered Office:  
(Must be a New Jersey street address)

Main Business or Principal Business Address:

Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
City \_\_\_\_\_ Zip \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**9. Management** (Domestic Corporations and Limited Partnerships Only)

- For-Profit and Professional Corporations list initial Board of Directors, minimum of 1;
- Domestic Non-Profits list Board of Trustees, minimum of 3;
- Limited Partnerships list all General Partners.

Name	Street Address	City	State	Zip
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

The signatures below certify that the business entity has complied with all applicable filing requirements pursuant to the laws of the State of New Jersey.

**10. Incorporators** (Domestic Corporations Only, minimum of 1)

Name	Street Address	City	State	Zip
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Signature(s) for the Public Record (See instructions for Information on Signature Requirements)

Signature	Name	Title	Date
_____	_____	_____	_____
_____	_____	_____	_____

## Public Records Filing for New Business Entity (continued)

### 11. Additional Entity - Specific Information

#### A. Domestic Non-Profit Corporations (Title 15A) - For IRS exemption considerations, see instructions.

- 1a. The corporation shall have members: ..... ☐ Yes ☐ No  
If yes, qualification shall be:

☐ As set forth in the by-laws or, ☐ As set forth herein:

- 1b. The rights and limitations of the different classes of members shall be:

☐ As set forth in the by-laws or, ☐ As set forth herein:

2. The method of electing the trustees shall be:

☐ As set forth in the by-laws or, ☐ As set forth herein:

3. The method of distribution of assets shall be:

☐ As set forth in the by-laws or, ☐ As set forth herein:

#### B. Foreign Corporations - Profit, Non-Profit and Foreign Legal Professional (Titles 14A and 15A)

Attach a certificate of good standing/existence from the state of incorporation not greater than 30 days old to this form.

#### C. Limited Partnerships (Title 42:2A)

1. Set forth the aggregate amount of cash and a description and statement of the agreed value of other property or services contributed (or to be contributed in the future) by all partners:

2. Do the limited partners have the power to grant the right to become a limited partner to an assignee of any part of their partnership ..... ☐ Yes ☐ No  
If yes, list the terms/conditions of that power:

3. Do the limited partners have the right to receive distributions from a partner which includes a return of all or any part of the partner's contributions? ..... ☐ Yes ☐ No  
If yes, list the applicable terms:

4. Do the general partners have the right to make distributions to a partner which includes a return of all or any part of the partner's contributions? ..... ☐ Yes ☐ No  
If yes, list the applicable terms:

5. What are the rights of the remaining general partners to continue the business in the event that a general partner withdraws? List below:

#### D. Foreign Limited Partnerships (Title 42:2A)

Set forth the aggregate amount of cash and a description and statement of the agreed value of other property or services contributed (or to be contributed in the future) by all partners: